

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	AS AT 31-MAR-2019 (Unaudited) RM'000	AS AT 31-DEC-2018 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,210,657	2,233,734
Right-of-use assets	5,876	-
Investment properties	527,107	529,988
Inventories	645,235	637,329
Intangible assets	300,515	302,880
Investments in associates	15,725	15,448
Investments in joint ventures	114,046	113,827
Investments in securities	143,414	147,060
Deferred tax assets	18,441	18,164
Receivables	16,741	16,711
	<u>3,997,757</u>	<u>4,015,141</u>
Current assets		
Contract assets	11,675	8,257
Contract costs	8,738	8,556
Investments in securities	625,840	576,884
Inventories	92,415	91,812
Receivables	555,244	373,383
Derivatives	6,127	-
Tax recoverable	55,734	51,340
Other investment	4,245	3,176
Cash and bank balances	1,302,651	1,193,738
	<u>2,662,669</u>	<u>2,307,146</u>
TOTAL ASSETS	<u>6,660,426</u>	<u>6,322,287</u>
EQUITY AND LIABILITIES		
Share capital	1,775,118	1,775,118
Reserves	832,675	681,525
Total equity attributable to owners of the Company	<u>2,607,793</u>	<u>2,456,643</u>
Non-controlling interests	<u>1,272,774</u>	<u>1,230,079</u>
TOTAL EQUITY	<u>3,880,567</u>	<u>3,686,722</u>
Non-current liabilities		
Deferred tax liabilities	214,504	215,552
Borrowings	684,338	688,071
Lease liabilities	3,198	-
Payables	2,730	4,827
	<u>904,770</u>	<u>908,450</u>
Current liabilities		
Borrowings	1,212,061	1,241,758
Lease liabilities	2,717	-
Payables	559,113	344,244
Contract liabilities	15,262	20,496
Derivatives	14,380	35,480
Current tax liabilities	71,556	85,137
	<u>1,875,089</u>	<u>1,727,115</u>
TOTAL LIABILITIES	<u>2,779,859</u>	<u>2,635,565</u>
TOTAL EQUITY AND LIABILITIES	<u>6,660,426</u>	<u>6,322,287</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.52</u>	<u>1.44</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes to the quarterly report attached hereto.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-2019	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-2018	CURRENT YEAR TO DATE 31-MAR-2019	PRECEDING YEAR TO DATE 31-MAR-2018
	RM'000	RM'000	RM'000	RM'000
Revenue	229,133	1,056,298	229,133	1,056,298
Other income	189,221	24,700	189,221	24,700
Other expenses	(188,694)	(758,633)	(188,694)	(758,633)
Operating profit	<u>229,660</u>	<u>322,365</u>	<u>229,660</u>	<u>322,365</u>
Finance income	3,491	4,144	3,491	4,144
Finance costs	(16,160)	(19,029)	(16,160)	(19,029)
Share of results in associates, net of tax	277	(83)	277	(83)
Share of results in joint ventures, net of tax	12	13,519	12	13,519
Profit before tax	<u>217,280</u>	<u>320,916</u>	<u>217,280</u>	<u>320,916</u>
Income tax	(5,254)	(101,079)	(5,254)	(101,079)
Profit for the financial period	<u>212,026</u>	<u>219,837</u>	<u>212,026</u>	<u>219,837</u>
Profit attributable to:				
Owners of the Company	163,104	128,608	163,104	128,608
Non-controlling interests	48,922	91,229	48,922	91,229
Profit for the financial period	<u>212,026</u>	<u>219,837</u>	<u>212,026</u>	<u>219,837</u>
Earnings per share attributable to owners of the Company				
Basic (sen)	9.53	7.51	9.53	7.51
Fully diluted (sen)	9.53	7.51	9.53	7.51

Note: Certain comparative figures are reclassified to conform with current year's presentation.

The unaudited Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-2018 RM'000	CURRENT YEAR TO DATE 31-MAR-2019 RM'000	PRECEDING YEAR TO DATE 31-MAR-2018 RM'000
Profit for the financial period	212,026	219,837	212,026	219,837
Other comprehensive loss, net of tax:				
Items that will be reclassified subsequently to profit or loss:				
Net loss on foreign currency translation differences	(13,456)	(108,172)	(13,456)	(108,172)
Debt investments measured at FVOCI				
- Net fair value loss	(3,758)	(2,109)	(3,758)	(2,109)
- Reclassification to profit or loss	158	-	158	-
Other comprehensive loss for the financial period, net of tax	(17,056)	(110,281)	(17,056)	(110,281)
Total comprehensive income for the financial period	194,970	109,556	194,970	109,556
Total comprehensive income attributable to:				
Owners of the Company	151,437	57,509	151,437	57,509
Non-controlling interests	43,533	52,047	43,533	52,047
Total comprehensive income for the financial period	194,970	109,556	194,970	109,556

The unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes to the quarterly report attached hereto.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Attributable to equity holders of the Company						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Non-distributable			Distributable					
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000			
At 1 January 2018, as previously stated	1,775,118	-	10,300	7,384	360,399	329,936	2,483,137	1,211,825	3,694,962
Effects of MFRS 9	-	-	-	(2,105)	-	3,462	1,357	(391)	966
At 1 January 2018, restated	1,775,118	-	10,300	5,279	360,399	333,398	2,484,494	1,211,434	3,695,928
Total comprehensive income for the financial period									
- Profit for the financial period	-	-	-	-	-	128,608	128,608	91,229	219,837
- Other comprehensive loss	-	-	-	(590)	(70,509)	-	(71,099)	(39,182)	(110,281)
	-	-	-	(590)	(70,509)	128,608	57,509	52,047	109,556
Contributions by and distributions to owners of the Company									
Distribution equalisation in unit trust fund	-	-	-	-	-	169	169	-	169
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	828	828
Total transaction with owners of the Company	-	-	-	-	-	169	169	828	997
At 31 March 2018 (unaudited)	1,775,118	-	10,300	4,689	289,890	462,175	2,542,172	1,264,309	3,806,481
At 1 January 2019	1,775,118	-	10,485	(1,872)	332,830	340,082	2,456,643	1,230,079	3,686,722
Total comprehensive income for the financial period									
- Profit for the financial period	-	-	-	-	-	163,104	163,104	48,922	212,026
- Other comprehensive loss	-	-	-	(2,217)	(9,450)	-	(11,667)	(5,389)	(17,056)
	-	-	-	(2,217)	(9,450)	163,104	151,437	43,533	194,970
Contributions by and distributions to owners of the Company									
Distribution equalisation in unit trust fund	-	-	-	-	-	(287)	(287)	-	(287)
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	-	(838)	(838)
Total transactions with owners of the Company	-	-	-	-	-	(287)	(287)	(838)	(1,125)
At 31 March 2019 (unaudited)	1,775,118	-	10,485	(4,089)	323,380	502,899	2,607,793	1,272,774	3,880,567

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

(The figures have not been audited)

	3 months ended	
	31-MAR-2019	31-MAR-2018
	RM'000	RM'000
Cash flows from operating activities		
Cash generated from operations	69,496	763,955
Interest received	4,031	2,409
Taxes paid	(24,527)	(33,533)
Net cash generated from operating activities	<u>49,000</u>	<u>732,831</u>
Cash flows from investing activities		
Interest received, net	10,158	41,056
Dividend received	223	262
Distribution from joint ventures	-	(28,138)
Development costs on land held for development	(7,906)	(6,097)
Purchase of property, plant and equipment	(3,202)	(6,540)
Purchase of intangible assets	(982)	(47)
Proceeds from disposal of property, plant and equipment	-	58
Purchase of investment properties	(240)	(2,279)
Purchase of investment securities	(292,118)	(763,529)
Proceeds from settlement of derivatives	(189)	7,261
Proceeds from disposal/redemption of investment securities	393,325	820,175
Increase in pledged deposits for investing facilities	(50,662)	(106,802)
Restricted cash	11,092	1,946
Net cash generated from/(used in) investing activities	<u>59,499</u>	<u>(42,674)</u>
Cash flows from financing activities		
Interest paid	(15,916)	(18,043)
Net (repayment)/drawdown of borrowings	(22,142)	(450,813)
Net cash used in financing activities	<u>(38,058)</u>	<u>(468,856)</u>
Net increase/(decrease) in cash and cash equivalents	70,441	221,301
Cash and cash equivalents at beginning of the period	519,707	224,964
Effects of exchange rate changes	(1,302)	(7,980)
	<u>518,405</u>	<u>216,984</u>
Cash and cash equivalents at end of the period	<u><u>588,846</u></u>	<u><u>438,285</u></u>
Cash and cash equivalents comprise of:		
Cash and bank balances	1,302,651	1,236,149
Less:		
Remisiers' monies	(24,659)	(25,980)
Pledged for bank facilities	(655,916)	(732,158)
Restricted cash	(33,230)	(39,726)
	<u>588,846</u>	<u>438,285</u>

Note: Certain comparative figures have been restated to conform with current year's presentation.

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard (MFRS) 134: *Interim Financial Reporting*, International Accounting Standard (IAS) 34 *Interim Financial Reporting* and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018.

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2018, except for the adoption of the following new and revised Malaysian Financial Reporting Standards (MFRSs), Amendments to MFRSs and IC interpretations.

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

The adoption of the above pronouncements has no significant impact to the financial statements of the Group in the period of initial application, except as described below.

A2 Changes in Accounting Policies (continued)**MFRS 16 Leases**

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees.

Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

As permitted by the transitional provision of MFRS 16, the Group has elected to recognise the cumulative effects of the initial application of the standard at the date of initial application.

As a lessee, the Group previously classified leases as operating or finance lease based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group.

Under MFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases.

The Group elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019.

Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group used the following practical expedients when applying MFRS 16 to leases previously classified as operating leases under MFRS 117.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of MFRS 137 onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Use hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

A2 Changes in Accounting Policies (continued)
MFRS 16 Leases (continued)

The following table presents the impact of changes to the consolidated statements of financial position of the Group resulting from adoption of MFRS 16 as at 1 January 2019:

	31 December 2018	MFRS 16 adjustments	1 January 2019
	RM'000	RM'000	RM'000
Non-current assets			
Right-of-use assets	-	4,185	4,185
Non-current liabilities			
Lease liabilities	-	(574)	(574)
Current liabilities			
Lease liabilities	-	(3,611)	(3,611)
Total lease liabilities	-	(4,185)	(4,185)

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 affected by seasonal and cyclical factors especially the volatility in the trading volume and share prices on the stock exchanges, the general Malaysian economy and seasonal factors that affect the occupancy and room rates of the Group's hotel operations.

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 financial period's 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 financial quarter.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
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	34,041	9,688	1,458	18,242	7,806	157,898	-	229,133
Inter-segment revenue	2	5,787	-	2,002	-	-	(7,791)	-
Total revenue	34,043	15,475	1,458	20,244	7,806	157,898	(7,791)	229,133
Results								
Net segment results	3,762	182,609	1,258	4,401	(1,074)	33,301	-	224,257
Foreign exchange gain/(loss)	179	3,549	(83)	6	-	7,637	-	11,288
Operating profit/(loss)	3,941	186,158	1,175	4,407	(1,074)	40,938	-	235,545
Finance income	2,084	748	66	98	361	134	-	3,491
Finance costs	(134)	(6,502)	(360)	(3,286)	(1,149)	(4,729)	-	(16,160)
Share of results of associates, net of tax	-	-	-	277	-	-	-	277
Share of results of joint ventures, net of tax	-	-	-	-	12	-	-	12
Segment profit/(loss)	5,891	180,404	881	1,496	(1,850)	36,343	-	223,165
Unallocated corporate expenses								(5,885)
Profit before tax								217,280
Income tax								(5,254)
Profit for the financial period								212,026
Profit attributable to:								
Equity holders of the Company								163,104
Non-controlling interests								48,922
								212,026

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
A10 Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market and major products and service lines. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note A9).

For 3 months ended 31 March In RM'000	Reportable segments														Consolidated	
	Broking and financial services		Investment holding		Credit and lending		Property investment		Property development		Hotel operations		Others		2019	2018
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Primary geographical markets																
Malaysia	34,041	38,788	154	294	1,458	2,317	4,858	4,348	5,422	35,068	248	100	75	353	46,256	81,268
Australia	-	-	-	-	-	-	-	-	2,384	749,627	50,688	59,447	-	-	53,072	809,074
Canada	-	-	-	-	-	-	13,384	14,971	-	-	28,113	31,310	-	-	41,497	46,281
British Virgin Island	-	-	9,459	37,349	-	-	-	-	-	-	-	-	-	-	9,459	37,349
Singapore	-	-	-	-	-	-	-	-	-	-	40,811	42,568	-	-	40,811	42,568
China	-	-	-	-	-	-	-	-	-	-	8,673	9,276	-	-	8,673	9,276
Thailand	-	-	-	-	-	-	-	-	-	-	29,365	30,180	-	-	29,365	30,180
Hong Kong	-	-	-	-	-	-	-	302	-	-	-	-	-	-	-	302
	34,041	38,788	9,613	37,643	1,458	2,317	18,242	19,621	7,806	784,695	157,898	172,881	75	353	229,133	1,056,298
Major products/service lines																
Revenue from contracts with customers																
Hotel room rental and related revenue	-	-	-	-	-	-	-	-	-	-	157,898	172,556	-	-	157,898	172,556
Sales of properties	-	-	-	-	-	-	-	-	7,215	784,096	-	-	-	-	7,215	784,096
Sales of construction materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross brokerage fee	11,508	18,164	-	-	-	-	-	-	-	-	-	-	-	-	11,508	18,164
Underwriting commission and placement fees	1,513	2,430	-	-	-	-	-	-	-	-	-	-	-	-	1,513	2,430
Rollover fees	520	546	-	-	130	155	-	-	-	-	-	-	-	-	650	701
Acceptance fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative trading income	632	1,811	-	-	-	-	-	-	-	-	-	-	-	-	632	1,811
Service and administration charges	-	-	-	-	5	18	-	-	-	-	-	-	-	-	5	18
Nominee service fees	2	4	-	-	-	-	-	-	-	-	-	-	-	-	2	4
Profit from sale of trust units	12,358	5,970	-	-	-	-	-	-	-	-	-	-	-	-	12,358	5,970
Manager's fee from unit trust and private mandate clients' funds	3,869	4,786	-	-	-	-	-	-	-	-	-	-	-	-	3,869	4,786
Performance fees from private mandate clients' funds	137	300	-	-	-	-	-	-	-	-	-	-	-	-	137	300
Sale of food and beverage	-	-	-	-	-	-	-	-	-	-	-	-	75	263	75	263
Management fees	-	-	12	152	-	-	159	-	-	-	-	-	-	-	171	152
Maintenance charges recoveries from tenants	-	-	-	-	-	-	6,606	6,615	-	-	-	-	-	-	6,606	6,615
	30,539	34,011	12	152	135	173	6,765	6,615	7,215	784,096	157,898	172,556	75	263	202,639	997,866
Other revenue																
Rental income	41	44	90	89	-	-	11,477	13,006	591	599	-	325	-	90	12,199	14,153
Service and administration charges	3,263	4,482	-	-	-	-	-	-	-	-	-	-	-	-	3,263	4,482
Interest income	-	-	9,374	37,217	1,323	2,144	-	-	-	-	-	-	-	-	10,697	39,361
Gross dividends	114	106	137	185	-	-	-	-	-	-	-	-	-	-	251	291
Gain on disposal of other investments	84	145	-	-	-	-	-	-	-	-	-	-	-	-	84	145
	3,502	4,777	9,601	37,491	1,323	2,144	11,477	13,006	591	599	-	325	-	90	26,494	58,432
Total revenue	34,041	38,788	9,613	37,643	1,458	2,317	18,242	19,621	7,806	784,695	157,898	172,881	75	353	229,133	1,056,298

A11 Subsequent Events

There were no material events subsequent to the end of the current financial period.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial period.

A13 Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual reporting date as at 31 December 2018.

A14 Commitments

The amount of capital commitments not provided for as at 31 March 2019 were as follow:

	RM'000
Approved and contracted for:-	
- Property, plant and equipment	20,435
- Investment properties	14,226
	<u>34,661</u>
	<u><u>34,661</u></u>

B1 Performance Analysis of the Group's Operating Segments

	CURRENT YEAR QUARTER 31 MAR 2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 MAR 2018 RM'000
Revenue	229,133	1,056,298
Other income		
- Gain on disposal/redemption of investment securities	2,868	6,955
- Realised fair value gain on investment securities	76,728	4,652
- Unrealised fair value gain on investment securities	77,994	-
- Realised fair value gain on derivatives	1,546	7,260
- Unrealised fair value gain on derivatives	18,112	-
- Others	11,973	5,833
	189,221	24,700
Other expenses		
- Amortisation and depreciation	(25,228)	(27,418)
- Cost of properties and construction materials sold	(5,200)	(438,270)
- Remisiers', agents' and futures brokers' commissions	(16,290)	(13,735)
- Hotel operational and personnel cost	(111,222)	(117,572)
- Personnel cost and others	(42,683)	(46,733)
- Loss on disposal of property, plant and equipment	-	(91)
- Unrealised fair value loss on derivatives	-	(13,146)
- Unrealised fair value loss on investment securities	-	(77,922)
- Net reversal of impairment on investment securities	167	-
- Net reversal of impairment on receivables	474	366
- Net reversal of impairment on property, plant and equipment	-	684
- Foreign exchange gain/(loss)	11,288	(24,796)
	(188,694)	(758,633)
Finance income	3,491	4,144
Finance costs	(16,160)	(19,029)
Share of results in associates	277	(83)
Share of results in joint venture	12	13,519
Profit before tax	217,280	320,916

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

The Group reported revenue of RM229.1 million and profit before tax of RM217.3 million for the current year's first quarter and was comparatively lower than revenue of RM1,056.3 million and profit before tax of RM320.9 million reported in the previous year's corresponding quarter. All business divisions of the Group, with the exception of investment holding division and credit and lending division, reported lower profit before tax for the current year's first quarter.

The performance of the Group for this quarter is as analysed below:-

Broking and financial services

Profit before tax of the broking and financial services division decreased from RM9.1 mil in the previous year's first quarter to RM5.9 mil in the current year's first quarter. This decrease in profit before tax was mainly due to decrease in brokerage income although there was an increase in profit from sale of unit trusts.

Investment holding and others

Investment holding and others division reported profit before tax of RM180.4 million in the current year's first quarter, as compared to loss before tax of RM89.9 million in the previous year's corresponding quarter. This higher profit before tax was derived from the fair value gains on investment securities and derivatives, and foreign exchange gain on translation of CAD and AUD denominated balances. The fair value gains on investment securities and derivatives comprises of realized fair value gain of RM78.3 million and unrealized fair value gain of RM96.1 million.

Credit and lending

For the current year's first quarter, credit and lending division reported profit before tax of RM0.9 million as compared to loss before tax of RM9.1 million in the previous year's corresponding quarter. This profit before tax was achieved through a lower foreign exchange loss on translation of CAD denominated balances in the current year's first quarter, as compared to prior year's corresponding quarter.

B1 Performance Analysis of the Group's Operating Segments (continued)***Property investment***

Property investment division reported profit before tax of RM1.5 million in the current year's first quarter, as compared to profit before tax of RM3.2 million in the previous year's corresponding quarter. The decrease in current quarter profit before tax was mainly due to lower net rental income.

Property development

Property development division reported loss before tax of RM1.8 million in the current year's first quarter, as compared to profit before tax of RM358.0 million in previous year's corresponding quarter. The division's loss before tax was due to the absence of the one-off profit recorded for the same period of prior year from the disposals of two development properties, amounted to RM349.4 million.

Hotel operations

Hotel operations division registered net operating profit (excluding foreign exchange gain) of RM28.7 million in the current year's first quarter, as compared to RM33.1 million in the previous year's corresponding quarter. The decrease in the current quarter's net operating profit was due to a decline in revenue in most of the hotels under the Group's portfolio.

In addition, a comparatively lower foreign exchange gain arising from the translation of THB denominated balances against USD in the current year's first quarter had resulted in a lower profit before tax of the division.

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

The Group reported profit before tax of RM217.3 million in the current year's first quarter as compared to loss before tax of RM195.2 million in the preceding quarter. Higher profit before tax in the current year's first quarter was mainly attributable to realized and unrealized fair value gain on investment securities and net foreign exchange gain.

B3 Prospects for the current financial year

A softer global economic momentum in the second half of 2018 is expected to continue in 2019 with synchronized slowdown across geographies and sectors. The Group anticipates slight growth in the upcoming year in light of the ongoing United States-China trade war, global trade disputes, a no-deal withdrawal of the United Kingdom from the European Union, continued slowdown in China and unease in financial markets reflected by falling stock markets and further deterioration in risk sentiment.

The prospects for each business division are summarized below: -

Broking and financial services

2019 will continue to be a challenging year as weaknesses seen in the global economy are gaining traction and have been amplified by the protracted global issues like the United States-China trade wars, Brexit impasse, softer China's economy growth and deteriorating global corporate earnings. With the current uncertainty and volatility of the world's stock markets, we hope to achieve satisfactory financial performance of our financial services business in financial year 2019.

To accomplish that, we will consistently engage, monitor and evaluate our business strategies to maximize return to our shareholders. While optimising our existing resources to generate higher brokerage income, we will continue to look out for business opportunities to increase our fees-based income and revenue from proprietary activities. In addition, we will continue to look for strategic locations to grow our branch network in Malaysia.

Credit and lending

The financial year 2019 is expected to be challenging for the credit and lending division. However, the division will strive to increase financing activities by providing short and medium term loans to business enterprises for their working capital and to individuals for their investments.

Property investment

For the financial year 2019, the Group expects a steady recurring income and cash-flows contribution from its overseas and local property investments as most of its overseas and local investment properties are well tenanted with high occupancy.

B3 Prospects for the current financial year (continued)*Property development*

Year 2019 will be a challenging year for the Property Development as the Malaysian property market is expected to be flattish in 2019. With pressing issues such as high unsold inventory units in the market, low absorption rates, stringent mortgage approvals from the financial institutions, competitive marketing promotion and price war affecting the Malaysia property market, property sales are expected to be challenging. For the financial year 2019, the Group will be launching property sale of certain strategically connected and located property development projects within the Klang Valley and Kuala Lumpur to ride on the next phase of the property cycle in Malaysia. Strategic adjustment on products, pricing and innovative sales strategies will be adopted and we anticipate to achieve moderate sales from these property launches for 2019.

Hotel operations

For the financial year 2019, the Group's hospitality businesses located in Singapore, Australia, Canada, China and Thailand will continue to grow its revenue and gross operating profit to generate stronger recurring income stream for the Group. We expect satisfactory financial performance of our hospitality businesses in financial year 2019.

The Group will continue to explore and evaluate opportunities to acquire new hotel properties to expand our existing portfolio and to enhance revenue contribution from our hospitality business.

Barring any unforeseen circumstances, the Group's financial performance is expected to be satisfactory for the financial year ending 31 December 2019.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

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

	CURRENT QUARTER/ YEAR TO DATE RM'000
Current tax expense	
Malaysian - current year	1,897
- prior year	1,010
Foreign - current year	3,605
Deferred tax expense	
Origination and reversal of temporary differences	(1,258)
	5,254

Income tax is calculated at the Malaysian statutory tax rate of 24% (2018: 24%) of the estimated assessable profit for the period. Taxation for the other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The current quarter's effective tax rate of the Group was lower than the Malaysian statutory tax rate mainly due to reversal of deferred tax liabilities and certain non-taxable income.

B6 Corporate Proposals

There is no corporate proposal announced or not completed by the Group as at the date of this report.

Utilisation of sale proceeds

As at 22 May 2019, the status of the utilisation of sale proceeds from the disposal of development property located in Little Bay, Australia, which was completed on 10 January 2018 is as follows:

Utilisation purposes	Proposed utilisation as set out in the circular dated 7 November 2017	Actual utilisation as at 22 May 2019	Proposed utilisation of the remaining disposal consideration	
	Amount RM'000	Amount RM'000	Amount RM'000	Intended timeframe for utilisation
Working capital for on-going property development projects	149,081	148,940	141	within 8 months
Repayment of bank borrowings	583,362	583,362	-	utilised
Estimated tax expenses in relation to the disposal	45,373	-	45,373	within 2 months
Estimated expenses in relation to the disposal	16,205	16,205	-	utilised
Total	794,021	748,507	45,514	

As at 22 May 2019, the status of the utilisation of sale proceeds from the disposal of investment property located in Tower One Lippo Centre, Hong Kong, which was completed on 22 June 2018 is as follows:

Utilisation purposes	Proposed utilisation as set out in the circular dated 6 April 2018	Actual utilisation as at 22 May 2019	Proposed utilisation of the remaining disposal consideration	
	Amount RM'000	Amount RM'000	Amount RM'000	Intended timeframe for utilisation
Repayment of bank borrowings	62,771	62,771	-	utilised
Estimated expenses in relation to the disposal	4,712	1,208	3,504	Within 3 months
Total	67,483	63,979	3,504	

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2019 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
<u>Long term borrowings</u>			
Term loans	611,914	-	611,914
Revolving credits	64,000	-	64,000
Bridging loan	8,424	-	8,424
	684,338	-	684,338
<u>Short term borrowings</u>			
Overdrafts	825	-	825
Revolving credits	207,220	206,000	413,220
Other short-term loans	798,016	-	798,016
	1,006,061	206,000	1,212,061
Total borrowings	1,690,399	206,000	1,896,399

The Group borrowings in Ringgit Malaysia ("RM") equivalent analysed by currencies in which the borrowings are denominated were as follows:-

	Long term borrowings RM'000	Short term borrowings RM'000	Total RM'000
Ringgit Malaysia ("RM")	120,424	434,052	554,476
Canadian Dollar ("CAD")	269,427	188,482	457,909
Singapore Dollar ("SGD")	294,487	9,570	304,057
United States Dollar ("USD")	-	467,046	467,046
Euro ("EUR")	-	98,932	98,932
Great Britain Pound ("GBP")	-	13,979	13,979
Total borrowings	684,338	1,212,061	1,896,399

B8 Financial Instruments
(i) Accounting classifications

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2019 <i>In RM'000</i>	Carrying amount						Fair value			
	Mandatorily at FVTPL	FVOCI - equity instrument	FVOCI - debt instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investment in quoted shares	112,795	-	-	-	-	112,795	112,795	-	-	112,795
Investment in unquoted shares	-	2,759	-	-	-	2,759	-	-	2,759	2,759
Investment in unquoted bonds	43,164	-	140,655	-	-	183,819	-	183,819	-	183,819
Investment in quoted unit trusts	28,603	-	-	-	-	28,603	-	28,603	-	28,603
Investment in unquoted securities	441,278	-	-	-	-	441,278	-	-	441,278	441,278
Derivatives	6,127	-	-	-	-	6,127	-	6,127	-	6,127
	631,967	2,759	140,655	-	-	775,381	112,795	218,549	444,037	775,381
Financial assets not measured at fair value										
Financial receivables	-	-	-	47,451	-	47,451	-	-	-	-
Trade receivables and other receivables **	-	-	-	495,241	-	495,241	-	-	-	-
Cash and bank balances	-	-	-	1,302,651	-	1,302,651	-	-	-	-
Other investment	-	-	-	4,245	-	4,245	-	-	-	-
	-	-	-	1,849,588	-	1,849,588	-	-	-	-
Financial liabilities measured at fair value										
Borrowings - non-current	-	-	-	-	684,338	684,338	-	-	684,361	684,361
Derivatives	14,380	-	-	-	-	14,380	-	14,380	-	14,380
	14,380	-	-	-	684,338	698,718	-	14,380	684,361	698,741
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	554,740	554,740	-	-	-	-
Borrowings - current	-	-	-	-	1,212,061	1,212,061	-	-	-	-
	-	-	-	-	1,766,801	1,766,801	-	-	-	-

** Other receivables and other payables that are not financial assets and not financial liabilities are not included.

B8 Financial Instruments (continued)
(i) Accounting classifications (continued)

31 December 2018 <i>In RM'000</i>	Carrying amount					Total	Fair value			
	Mandatorily at FVTPL	FVOCI - equity instrument	FVOCI - debt instrument	Financial assets at amortised cost	Financial liabilities at amortised cost		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investment in quoted shares	235,922	-	-	-	-	235,922	235,922	-	-	235,922
Investment in unquoted shares	-	2,759	-	-	-	2,759	-	-	2,759	2,759
Investment in unquoted bonds	22,763	-	144,301	-	-	167,064	-	167,064	-	167,064
Investment in quoted unit trusts	28,604	-	-	-	-	28,604	-	28,604	-	28,604
Investment in unquoted securities	289,595	-	-	-	-	289,595	-	-	289,595	289,595
	576,884	2,759	144,301	-	-	723,944	235,922	195,668	292,354	723,944
Financial assets not measured at fair value										
Financial receivables	-	-	-	60,840	-	60,840	-	-	-	-
Trade receivables and other receivables **	-	-	-	300,007	-	300,007	-	-	-	-
Cash and bank balances	-	-	-	1,193,738	-	1,193,738	-	-	-	-
Other investment	-	-	-	3,176	-	3,176	-	-	-	-
	-	-	-	1,557,761	-	1,557,761	-	-	-	-
Financial liabilities measured at fair value										
Borrowings - non-current	-	-	-	-	688,071	688,071	-	-	688,094	688,094
Derivatives	35,480	-	-	-	-	35,480	-	35,480	-	35,480
	35,480	-	-	-	688,071	723,551	-	35,480	688,094	723,574
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	334,466	334,466	-	-	-	-
Borrowings - current	-	-	-	-	1,241,758	1,241,758	-	-	-	-
	-	-	-	-	1,576,224	1,576,224	-	-	-	-

** Other receivables and other payables that are not financial assets and not financial liabilities are not included.

B8 Financial Instruments (continued)**(ii) Fair values****(a) Financial instruments measured at fair value**

Financial assets at FVTPL and FVOCI are measured at fair value at different measurement hierarchies (i.e. Level 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

(i) Level 1: Quoted prices (unadjusted) of identical assets in active markets

Quoted shares are measured at Level 1. The fair value of quoted shares is determined directly by reference to their published market bid prices as at 31 March 2019 and 31 March 2018.

(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

Quoted unit trust, unquoted bonds and derivatives are measured at Level 2.

Quoted unit trusts

The quoted unit trusts are valued based on Net Asset Value (NAV) of the fund, as reported by the managers of such funds.

Unquoted bonds

The fair values of unquoted bonds are obtained from financial institutions and are determined based on market observable inputs at reporting date.

Derivatives (comprising geared equity accumulators, decumulators and stock options)

The fair values of geared equity accumulators and decumulators are estimated by considering primarily on knockout percentage, discount percentage, variability of the underlying stock, and the overall market trends, commonly used by financial institutions.

The fair values of stock options are estimated based on Black-Scholes model and market-implied volatility, taking into consideration variables such as expected life of options, risk-free interest rate and expected dividend yield.

There were no transfers between Level 1 and Level 2 during the current period ended 31 March 2019.

B8 Financial Instruments (continued)
(ii) Fair values (continued)
(a) Financial instruments measured at fair value (continued)
(iii) Level 3: Inputs for the assets that are not based on observable market data

Unquoted securities and unquoted shares are measured at Level 3.

Unquoted securities

The fair values of unquoted securities are based on financial institutions quotes by using discounted cash flows and option pricing valuation technique. Significant unobservable inputs include equity volatility and equity correlation.

Reconciliation of Level 3 fair values

The following table shows reconciliation from the opening balances to the closing balances for Level 3 fair values.

<i>In RM'000</i>	Unquoted securities
Balance at 1 January 2018	602,239
Purchases	582,198
Disposal	(469,681)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(63,327)
- Realised	(5,810)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	(27,802)
Balance at 31 March 2018	617,817
Balance at 1 January 2019	289,595
Purchases	186,509
Disposal	(142,846)
Fair value gains and losses recognised in profit or loss	
- Unrealised	77,312
- Realised	34,500
Foreign exchange loss recognised in profit or loss	
- Unrealised	(362)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	(3,430)
Balance at 31 March 2019	441,278

B8 Financial Instruments (continued)
(ii) Fair values (continued)
(a) Financial instruments measured at fair value (continued)
(iv) Level 3: Inputs for the assets that are not based on observable market data
Unquoted shares

The fair values of unquoted shares are based on the adjusted net asset method by reference to the fair value of the assets and liabilities of the investee.

Reconciliation of Level 3 fair values

<i>In RM'000</i>	Unquoted shares
Balance at 1 January 2019/31 March 2019	2,759

(b) Financial instruments not measured at fair value

Non-current bank loans are valued using discounted cash flows based on the current market rate of borrowing of respective Group entities at the reporting date.

The carrying amount of other financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values.

B9 Material Litigation

As at 22 May 2019, there were no changes in material litigation since the last financial year ended 31 December 2018.

B10 Dividend

On 29 April 2019, based on the recommendation of the Board of Directors, a final single-tier dividend of 4.1 sen per ordinary share in respect of the financial year ended 31 December 2018 was proposed. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

No further dividend is proposed as at the date of this announcement other than as stated above.

B11 Disclosure of derivatives

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

These contracts were stated at fair values, using valuation techniques as stated in **B8(ii)(a)(ii)**. 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 RM'000	Fair value asset RM'000	Fair value liability RM'000
Geared Equity Accumulators - Less than 1 year	96,124	559	(11,145)
Geared Equity Decumulators - Less than 1 year	12,512	-	(3,235)
Geared Equity Options - Less than 1 year	1,204	5,568	-

B12 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 financial period, other than as disclosed in Note B1 on derivatives.

B13 Earnings per share attributable to owners of the Company

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
Basic earnings per share				
Profit for the period - attributable to owners of the Company (RM'000)	163,104	128,608	163,104	128,608
Weighted average number of ordinary shares in issue ('000)	1,711,910	1,711,910	1,711,910	1,711,910
Basic earnings per share (sen)	<u>9.53</u>	<u>7.51</u>	<u>9.53</u>	<u>7.51</u>

Basic earnings per share was calculated based on the Group's profit attributable to owners 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
29 May 2019