

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	AS AT 31-DEC-2019 (Unaudited) RM'000	AS AT 31-DEC-2018 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,068,249	2,233,734
Right-of-use assets	352,441	-
Investment properties	531,179	529,988
Inventories	659,899	637,329
Intangible assets	334,064	302,880
Investments in associates	15,644	15,448
Investments in joint ventures	117,599	113,827
Investments in securities	104,720	147,060
Deferred tax assets	12,202	18,164
Receivables	17,813	16,711
	<u>4,213,810</u>	<u>4,015,141</u>
Current assets		
Contract assets	39,032	8,257
Contract costs	8,794	8,556
Investments in securities	352,712	576,884
Inventories	88,937	91,812
Receivables	346,993	373,383
Derivatives	839	-
Tax recoverable	28,885	51,340
Other investment	48,774	3,176
Cash and bank balances	1,175,919	1,193,738
	<u>2,090,885</u>	<u>2,307,146</u>
TOTAL ASSETS	<u>6,304,695</u>	<u>6,322,287</u>
EQUITY AND LIABILITIES		
Share capital	1,775,118	1,775,118
Reserves	752,174	681,525
Total equity attributable to owners of the Company	<u>2,527,292</u>	<u>2,456,643</u>
Non-controlling interests	<u>1,234,880</u>	<u>1,230,079</u>
TOTAL EQUITY	<u>3,762,172</u>	<u>3,686,722</u>
Non-current liabilities		
Deferred tax liabilities	209,087	215,552
Borrowings	604,923	688,071
Lease liabilities	943	-
Payables	3,423	4,827
	<u>818,376</u>	<u>908,450</u>
Current liabilities		
Borrowings	1,320,659	1,241,758
Lease liabilities	1,079	-
Payables	355,192	344,244
Contract liabilities	32,630	20,496
Derivatives	1,251	35,480
Current tax liabilities	13,336	85,137
	<u>1,724,147</u>	<u>1,727,115</u>
TOTAL LIABILITIES	<u>2,542,523</u>	<u>2,635,565</u>
TOTAL EQUITY AND LIABILITIES	<u>6,304,695</u>	<u>6,322,287</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.48</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 YEAR ENDED 31 DECEMBER 2019
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-DEC-2019	PRECEDING YEAR CORRESPONDING QUARTER 31-DEC-2018	CURRENT YEAR TO DATE 31-DEC-2019	PRECEDING YEAR TO DATE 31-DEC-2018
	RM'000	RM'000	RM'000	RM'000
Revenue	255,638	271,438	946,999	2,235,426
Other income	89,662	20,513	342,777	131,054
Other expenses	(304,183)	(474,772)	(998,253)	(2,014,202)
Operating profit/(loss)	41,117	(182,821)	291,523	352,278
Finance income	3,139	6,404	13,130	22,769
Finance costs	(16,497)	(18,866)	(65,762)	(77,608)
Share of results in associates, net of tax	5	13	167	(203)
Share of results in joint ventures, net of tax	(55)	32	(37)	13,684
Profit/(Loss) before tax	27,709	(195,238)	239,021	310,920
Income tax	(19,487)	(25,600)	(45,989)	(169,790)
Profit/(Loss) for the financial year	8,222	(220,838)	193,032	141,130
Profit/(Loss) attributable to:				
Owners of the Company	16,853	(164,022)	146,482	76,872
Non-controlling interests	(8,631)	(56,816)	46,550	64,258
Profit/(Loss) for the financial year	8,222	(220,838)	193,032	141,130
Earnings per share attributable to owners of the Company				
Basic (sen)	0.98	(9.58)	8.56	4.49
Fully diluted (sen)	0.98	(9.58)	8.56	4.49

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 YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-DEC-2019	PRECEDING YEAR CORRESPONDING QUARTER 31-DEC-2018	CURRENT YEAR TO DATE 31-DEC-2019	PRECEDING YEAR TO DATE 31-DEC-2018
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) for the financial year	8,222	(220,838)	193,032	141,130
Other comprehensive income, net of tax:				
Items that will be reclassified subsequently to profit or loss:				
Net loss on foreign currency translation differences	(16,378)	(19,613)	(20,368)	(49,942)
Debt investments measured at FVOCI				
- Net fair value (loss)/gain	(3,353)	(8,839)	11,439	(13,973)
- Reclassification to profit or loss	851	80	758	(598)
Other comprehensive (loss)/income for the financial period, net of tax	(18,880)	(28,372)	(8,171)	(64,513)
Total comprehensive income/(loss) for the financial period	(10,658)	(249,210)	184,861	76,617
Total comprehensive income attributable to:				
Owners of the Company	2,434	(181,083)	140,564	43,884
Non-controlling interests	(13,092)	(68,127)	44,297	32,733
Total comprehensive income/(loss) for the financial period	(10,658)	(249,210)	184,861	76,617

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	----- Attributable to equity holders of the Company -----						Non-controlling interests RM'000	Total equity RM'000
	----- Non-distributable -----			Distributable				
	Share capital RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total 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 year								
- Profit for the financial year	-	-	-	-	76,872	76,872	64,258	141,130
- Other comprehensive loss	-	-	(7,151)	(25,837)	-	(32,988)	(31,525)	(64,513)
	-	-	(7,151)	(25,837)	76,872	43,884	32,733	76,617
Contributions by and distributions to owners of the Company								
Dividend to owners of the Company	-	-	-	-	(70,188)	(70,188)	-	(70,188)
Distribution equalisation in unit trust fund	-	-	-	-	185	185	-	185
Deregistration of a subsidiary	-	-	-	(1,732)	-	(1,732)	-	(1,732)
Dividend to non-controlling interests	-	-	-	-	-	-	(13,143)	(13,143)
Changes in ownership interests in a subsidiary	-	-	-	-	-	-	(945)	(945)
Redemption of preference shares by subsidiaries	-	185	-	-	(185)	-	-	-
Total transaction with owners of the Company	-	185	-	(1,732)	(70,188)	(71,735)	(14,088)	(85,823)
At 31 December 2018 (audited)	1,775,118	10,485	(1,872)	332,830	340,082	2,456,643	1,230,079	3,686,722
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 year								
- Profit for the financial year	-	-	-	-	146,482	146,482	46,550	193,032
- Other comprehensive income/(loss)	-	-	7,594	(13,512)	-	(5,918)	(2,253)	(8,171)
	-	-	7,594	(13,512)	146,482	140,564	44,297	184,861
Contributions by and distributions to owners of the Company								
Dividend to owners of the Company	-	-	-	-	(70,188)	(70,188)	-	(70,188)
Dividend to non-controlling interests	-	-	-	-	-	-	(33,910)	(33,910)
Disposal of a subsidiary	-	-	-	-	230	230	(5,586)	(5,356)
Redemption of preference shares by subsidiaries	-	27,443	-	-	(27,400)	43	-	43
Total transactions with owners of the Company	-	27,443	-	-	(97,358)	(69,915)	(39,496)	(109,411)
At 31 December 2019 (unaudited)	1,775,118	37,928	5,722	319,318	389,206	2,527,292	1,234,880	3,762,172

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

(The figures have not been audited)

	12 months ended	
	31-DEC-2019	31-DEC-2018
	RM'000	RM'000
Cash flows from operating activities		
Cash generated from operations	176,318	1,295,088
Interest received	7,585	19,680
Taxes paid	(96,359)	(68,592)
Net cash generated from operating activities	<u>87,544</u>	<u>1,246,176</u>
Cash flows from investing activities		
Interest received, net	53,646	154,626
Disposal of subsidiary, net of cash disposed	13,188	-
Acquisition of business	(314,626)	-
Dividend received	2,264	2,971
Purchase of property, plant and equipment	(13,835)	(32,187)
Purchase of intangible assets	(713)	(982)
Investment in an associated company	(29)	(1,320)
Proceeds from disposal of property, plant and equipment	34	175
Proceeds from disposal of investment properties	-	63,610
Purchase of investment properties	(9,660)	(11,702)
Purchase of investment securities	(1,557,056)	(2,105,925)
Acquisition of other investments	(45,598)	(120)
Proceeds from settlement of derivatives	2,572	16,818
Proceeds from disposal/redemption of investment securities	1,929,425	2,200,686
(Increase)/decrease in pledged deposits for investing facilities	(152,104)	20,102
Restricted cash	(8,207)	(2,650)
Net cash (used in)/generated from investing activities	<u>(100,700)</u>	<u>304,102</u>
Cash flows from financing activities		
Dividend paid to owners of the Company	(70,188)	(70,188)
Dividend paid to non-controlling interests	(33,910)	(13,143)
Interest paid	(48,536)	(71,983)
Net repayment of borrowings	(11,626)	(1,092,919)
Net cash used in financing activities	<u>(164,260)</u>	<u>(1,248,233)</u>
Net (decrease)/increase in cash and cash equivalents	(177,416)	302,045
Cash and cash equivalents at beginning of the period	519,707	224,964
Effects of exchange rate changes	(519)	(7,302)
Cash and cash equivalents at end of the period	<u>341,772</u>	<u>519,707</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	1,175,919	1,193,738
Less:		
Remisiers' monies	(24,260)	(24,455)
Pledged for bank facilities	(757,358)	(605,254)
Restricted cash	(52,529)	(44,322)
	<u>341,772</u>	<u>519,707</u>

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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. Leasehold lands and land use rights were reclassified from property, plant and equipment and intangible asset to right-of-use assets upon adoption of MFRS 16.

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.

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

A final single-tier dividend of 4.1 sen per ordinary share in respect of the financial year ended 31 December 2018, amounted to RM70,188,288 was paid on 12 July 2019.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134
A9 Segmental Information

Segmental revenue and results for the current financial year 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	133,446	67,246	5,808	82,359	51,105	607,035	-	946,999
Inter-segment revenue	11	78,245	-	4,723	-	-	(82,979)	-
Total revenue	133,457	145,491	5,808	87,082	51,105	607,035	(82,979)	946,999
Results								
Net segment results	12,564	182,041	5,061	24,470	9,918	49,452	-	283,506
Foreign exchange gain/(loss)	664	10,871	(492)	(2)	1	30,880	-	41,922
Operating profit	13,228	192,912	4,569	24,468	9,919	80,332	-	325,428
Finance income	8,437	1,659	401	425	979	1,229	-	13,130
Finance costs	(417)	(23,533)	(1,118)	(12,557)	(4,487)	(23,650)	-	(65,762)
Share of results of associates, net of tax	-	-	-	167	-	-	-	167
Share of results of joint ventures, net of tax	-	-	-	-	(37)	-	-	(37)
Segment profit	21,248	171,038	3,852	12,503	6,374	57,911	-	272,926
Unallocated corporate expenses								(33,905)
Profit before tax								239,021
Income tax								(45,989)
Profit for the financial year								193,032
Profit attributable to:								
Equity holders of the Company								146,482
Non-controlling interests								46,550
								193,032

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 12 months ended 31 December 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		
Primary geographical markets																
Malaysia	133,446	131,471	599	1,287	5,808	9,459	23,517	18,858	40,036	59,691	656	664	135	2,871	204,197	224,301
Australia	-	-	-	36	-	-	48	-	11,069	1,177,243	192,947	215,870	-	-	204,064	1,393,149
Canada	-	-	-	-	-	-	58,794	56,489	-	-	113,537	125,147	-	-	172,331	181,636
British Virgin Island	-	-	66,512	147,378	-	-	-	-	-	-	-	171,225	-	-	66,512	318,603
Singapore	-	-	-	-	-	-	-	-	-	-	168,265	40,820	-	-	168,265	40,820
China	-	-	-	-	-	-	-	-	-	-	33,531	76,320	-	-	33,531	76,320
Thailand	-	-	-	-	-	-	-	-	-	-	98,099	-	-	-	98,099	-
Hong Kong	-	-	-	-	-	-	-	597	-	-	-	-	-	-	-	597
	133,446	131,471	67,111	148,701	5,808	9,459	82,359	75,944	51,105	1,236,934	607,035	630,046	135	2,871	946,999	2,235,426
Major products/service lines																
Revenue from contracts with customers																
Hotel room rental and related revenue	-	-	-	-	-	-	-	-	-	-	607,035	630,046	-	-	607,035	630,046
Sales of properties	-	-	-	-	-	-	-	-	48,787	1,234,446	-	-	-	-	48,787	1,234,446
Sales of construction materials	-	-	-	-	-	-	-	-	-	-	-	-	695	-	-	695
Contract revenue	-	-	-	-	-	-	-	-	-	-	-	-	993	-	-	993
Gross brokerage fee	45,380	56,763	-	-	-	-	-	-	-	-	-	-	-	-	45,380	56,763
Underwriting commission and placement fees	7,479	11,238	-	-	-	-	-	-	-	-	-	-	-	-	7,479	11,238
Rollover fees	2,011	1,978	-	-	325	830	-	-	-	-	-	-	-	-	2,336	2,808
Acceptance fees	-	-	-	-	1	28	-	-	-	-	-	-	-	-	1	28
Derivative trading income	3,347	5,464	-	-	-	-	-	-	-	-	-	-	-	-	3,347	5,464
Service and administration charges	-	-	-	-	124	140	-	-	-	-	-	-	-	-	124	140
Nominee service fees	91	126	-	-	-	-	-	-	-	-	-	-	-	-	91	126
Profit from sale of trust units	43,500	22,743	-	-	-	-	-	-	-	-	-	-	-	-	43,500	22,743
Manager's fee from unit trust and private mandate clients' funds	17,823	16,222	-	-	-	-	-	-	-	-	-	-	-	-	17,823	16,222
Performance fees from private mandate clients' funds	354	998	-	-	-	-	-	-	-	-	-	-	-	-	354	998
Sale of food and beverage	-	-	-	-	-	-	-	-	-	-	-	-	135	853	135	853
Management fees	-	-	-	606	-	-	640	-	-	-	-	-	-	-	640	606
Utility fees from tenants	-	-	-	-	-	-	2,301	-	-	-	-	-	-	-	2,301	-
Maintenance charges recoveries from tenants	-	-	-	-	-	-	24,028	20,613	-	-	-	-	-	-	24,028	20,613
	119,985	115,532	-	606	450	998	26,969	20,613	48,787	1,234,446	607,035	630,046	135	2,541	803,361	2,004,782
Other revenue																
Rental income	171	164	360	360	-	-	55,390	55,331	2,318	2,488	-	-	-	330	58,239	58,673
Service and administration charges	12,924	14,973	-	-	-	-	-	-	-	-	-	-	-	-	12,924	14,973
Interest income	-	-	64,168	145,418	5,320	8,422	-	-	-	-	-	-	-	-	69,488	153,840
Gross dividends	209	615	2,583	2,317	39	39	-	-	-	-	-	-	-	-	2,831	2,971
Gain on disposal of other investments	157	187	-	-	-	-	-	-	-	-	-	-	-	-	157	187
	13,461	15,939	67,111	148,095	5,359	8,461	55,390	55,331	2,318	2,488	-	-	-	330	143,639	230,644
Total revenue	133,446	131,471	67,111	148,701	5,808	9,459	82,359	75,944	51,105	1,236,934	607,035	630,046	135	2,871	946,999	2,235,426

A11 Subsequent Events

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

A12 Changes in the Composition of the Group
Disposal of TA Asia Pacific REITs Income Fund (“TAREITs”)

On 30 May 2019, the Company disposed of its entire interest in TAREITs for a total cash consideration of RM3.14 million. Accordingly, TAREITs ceased to be a subsidiary of the Group.

The financial effects on the Group arising from the disposal of TAREITs were as follows:

	At date of disposal RM'000
Receivables	3,063
Investment in securities	6,319
Cash and cash equivalents	1,440
Payables	(295)
Total identified net assets disposed	10,527
Non-controlling interest	(7,134)
Net assets	3,393
Proceeds from disposal	3,140
Loss on disposal of subsidiary	(253)
Proceeds from disposal	3,140
Less: Cash and cash equivalents of subsidiary disposed	(1,440)
Net cash inflow on disposal of subsidiary	1,700

Termination of TA Properties (Canada) Trust (“TAPCT”)

On 31 October 2019, TAPCT has been effectively terminated.

As TAPCT no longer hold any assets or liabilities prior to its termination, its termination did not have any financial and operational effect to the Group.

A12 Changes in the Composition of the Group
Disposal of TA Meriah Sdn. Bhd.

On 20 June 2019, TA Properties Sdn. Bhd., a 60.17% owned subsidiary of the Company disposed of the entire 100% equity interest, comprising of 2 ordinary shares and 397 preference shares in TA Meriah Sdn. Bhd., for a total cash consideration of RM11.98 million. Accordingly, TA Meriah Sdn. Bhd. ceased to be a subsidiary of the Group.

The financial effects on the Group arising from the disposal of TA Meriah Sdn. Bhd. were as follows:

	At date of disposal
	RM'000
Land held for property development	3,910
Total identified net assets disposed	3,910
Proceeds from disposal (net of tax)	11,488
Gain on disposal of subsidiary	7,578
Proceeds from disposal (net of tax)	11,488
Less: Cash and cash equivalents of subsidiary disposed	-
Net cash inflow on disposal of subsidiary	11,488

Acquisition of hotel and business of Four Points

On 7 August 2019, Siam Resorts Company Limited, a 60.17% owned foreign subsidiary of the Company completed its acquisition of the hotel and business of Four Points by Sheraton Bangkok, Sukhumvit 15 for a total cash consideration of THB2,316,760,000 (equivalent to approximately RM314,679,000), exclusive of any applicable tax. The acquisition was accounted for as a business combination in accordance with MFRS 3 *Business Combinations*.

The following summarises the major classes of consideration transferred and the recognised amount of assets and liabilities assumed at the acquisition date:

Identifiable assets acquired and liabilities assumed	Group
	RM'000
Property, plant and equipment	271,703
Inventories	486
Intangible assets	23
Trade and other receivables	190
Cash and bank balances	53
Trade and other payables	(2,238)
Deferred tax liabilities	(1,087)
Total identifiable net assets	<u>269,130</u>
Net cash outflow arising from acquisition	Group
	RM'000
Purchase consideration settled in cash	(314,679)
Cash and bank balances acquired	53
	<u>(314,626)</u>

A12 Changes in the Composition of the Group (continued)
Acquisition of hotel and business of Four Points (continued)

Goodwill	Group RM'000
Total consideration transferred	314,679
Fair value of identifiable net assets	<u>(269,130)</u>
Goodwill	<u>45,549</u>

The fair value of assets acquired and liabilities assumed and purchase consideration have been determined on a provisional basis pending completion of purchase price allocation exercise. Any adjustments to these provisional fair values upon finalisation of the purchase price allocation exercise will be recognised in intangible assets and property, plant and equipment within 12 months of the acquisition date as permitted by MFRS 3 *Business Combinations*.

From the date of acquisition, the acquired business has contributed THB144,973,000 (RM19,832,000 equivalent) of revenue and THB45,832,000 (RM6,270,000 equivalent) to the profit before tax of the Group. If the acquisition had occurred on 1 January 2019, management estimates that consolidated revenue would have been RM995,759,000, and consolidated profit before tax for the financial period ended 31 December 2019 would have been RM203,166,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition has occurred on 1 January 2019.

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 December 2019 were as follow:

	RM'000
Approved and contracted for:-	
- Property, plant and equipment	17,466
- Investment properties	<u>12,767</u>
	<u>30,233</u>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA**
B1 Performance Analysis of the Group's Operating Segments

	CURRENT YEAR QUARTER 31 DEC 2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 DEC 2018 RM'000	CURRENT YEAR TO DATE 31 DEC 2019 RM'000
Revenue	255,638	271,438	946,999
Other income			
- Gain on disposal/redemption of investment securities	2,737	777	11,983
- Gain on disposal of subsidiaries	-	-	7,325
- Realised fair value gain on investment securities	-	-	234,759
- Unrealised fair value gain on investment securities	67,751	-	-
- Realised fair value gain on derivatives	9,434	4,618	39,109
- Others	9,740	15,118	49,601
	89,662	20,513	342,777
Other expenses			
- Amortisation and depreciation	(28,123)	(19,670)	(105,980)
- Cost of properties and construction materials sold	(1,878)	(4,366)	(28,322)
- Remisiers', agents' and futures brokers' commissions	(14,763)	(12,947)	(61,711)
- Hotel operational and personnel cost	(122,540)	(111,353)	(451,296)
- Personnel cost and others	(85,553)	(46,715)	(201,528)
- Property, plant and equipment written off	(192)	(87)	(495)
- Loss on disposal of property, plant and equipment	(488)	(203)	(511)
- Unrealised fair value loss on derivatives	(11,832)	(8,204)	(11,702)
- Realised fair value loss on investment securities	(13,362)	(7,164)	-
- Unrealised fair value loss on investment securities (Impairment loss)/reversal of impairment loss on investment securities	-	(224,122)	(126,087)
- (Impairment loss)/reversal of impairment loss on investment securities	(256)	(89)	17
- Impairment loss on cash and bank balances	(260)	(706)	(260)
- Impairment loss on other investment	(151)	-	(151)
- Net reversal/(impairment loss) on receivables	450	76	(442)
- Impairment loss on properties held for resale	(2,841)	-	(2,841)
- Impairment loss on property, plant and equipment	(41,745)	(8,733)	(41,745)
- Impairment loss on right-of-use assets	(2,075)	-	(2,075)
- Impairment loss on intangible assets	(5,046)	-	(5,046)
- Foreign exchange gain/(loss)	26,472	(30,489)	41,922
	(304,183)	(474,772)	(998,253)
Finance income	3,139	6,404	13,130
Finance costs	(16,497)	(18,866)	(65,762)
Share of results in associates	5	13	167
Share of results in joint venture	(55)	32	(37)
Profit/(loss) before tax	27,709	(195,238)	239,021

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

The Group reported revenue of RM255.6 million and profit before tax of RM27.7 million for the current year's fourth quarter as compared to revenue of RM271.4 million and loss before tax of RM195.2 million reported in the previous year's corresponding quarter.

For the current year-to-date, the Group achieved revenue of RM947.0 million and profit before tax of RM239.0 million, as compared to revenue of RM2,235.4 million and profit before tax of RM310.9 million in the previous year.

Despite lower profit contribution from the credit and lending, property development and hotel operations divisions, results for the current year's fourth quarter improved as compared to the preceding year's corresponding quarter mainly attributable to higher profit from the broking and investment holding divisions.

For the current year-to-date, although the Group reported higher profit from the investment holding and credit and lending divisions, profit of the Group was lower as compared to previous year due to lower contribution from the broking, property investment, property development and hotel divisions.

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 increased from RM3.7 mil in the previous year's fourth quarter to RM6.3 mil in the current year's fourth quarter.

For the current year-to-date, this division reported profit before tax of RM21.2 million, as compared to profit before tax of RM26.9 million in the preceding year.

This decrease in profit before tax in the current year was mainly due to the decrease in brokerage income.

Investment holding and others

Investment holding and others division reported profit before tax of RM53.2 million in the current year's fourth quarter, as compared to loss before tax of RM270.4 million in the previous year's corresponding quarter.

Despite reporting lower interest income and unrealized fair value loss on derivatives, the division enjoyed profit in the current year's fourth quarter, mainly due fair value gain on investment securities, realized fair value gain on derivatives, and foreign exchange gain, mainly resulted from translation of USD, CAD and EUR denominated balances.

For the current year-to-date, this division reported profit before tax of RM171.0 million, as compared to loss before tax of RM320.7 million in the preceding year.

Despite a drop in interest income and unrealised fair value loss on quoted shares, this division regained profitability as a result of fair value gains on unquoted securities and derivatives, foreign exchange gain resulting from translation of CAD, AUD and USD denominated balances, and lower finance cost.

B1 Performance Analysis of the Group's Operating Segments (continued)***Credit and lending***

For the current year's fourth quarter, credit and lending division reported profit before tax of RM1.3 million as compared to profit before tax of RM2.1 million in the previous year's corresponding quarter. Lower profit before for the current fourth quarter was mainly due to lower foreign exchange gain on translation of CAD denominated balances.

For the current year-to-date, this division reported profit before tax of RM3.9 million, as compared to loss before tax of RM2.1 million in the preceding year.

Despite lower interest income, results for the current year-to-date has improved mainly due to lower foreign exchange loss on translation of CAD denominated balances and lower finance cost, as compared to the prior year.

Property investment

Property investment division reported profit before tax of RM6.3 million in the current year's fourth quarter, consistent with profit before tax in the previous year's corresponding quarter.

For the current year-to-date, this division reported profit before tax of RM12.5 million, as compared to profit before tax of RM65.8 million in the preceding year.

Despite higher net rental income and lower finance cost, profit before tax was lower due to the one-off gain on disposal of an investment property in Hong Kong, which was reported in the previous year.

Property development

Property development division reported loss before tax of RM7.3 million in the current year's fourth quarter, as compared to profit before tax of RM9.6 million in previous year's corresponding quarter.

Loss before tax in the current year's fourth quarter was mainly due to the absence of sales recognition from the development project in Australia, and impairment loss on properties held for resale.

For the current year-to-date, this division reported profit before tax of RM6.4 million, as compared to profit before tax of RM456.8 million in the preceding year.

The division's decline in profit before tax was mainly attributable to lower sales recognition from the development project in Australia, impairment loss on properties held for resale, and the one-off profit recorded in prior year on disposal of two development properties.

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

Hotel operations division registered net operating loss (excluding foreign exchange gain) of RM34.2 million in the current year's fourth quarter, as compared to net operating profit of RM31.0 million in the previous year's corresponding quarter.

The decline in results in the current year's fourth quarter was mainly due to lower hotel occupancy revenue, fair value loss on forward exchange contracts, and impairment losses on a hotel property in Kunshan, China amounted to RM43.9 million.

For the current year-to-date, this division reported net operating profit of RM27.0 million, as compared to net operating profit of RM79.4 million in the preceding year.

The current year drop in profit was mainly attributable to higher depreciation, lower hotel occupancy income, fair value loss on forward exchange contracts, and higher impairment loss on a hotel property in Kunshan, China.

However, the division achieved profit before tax in the current year due to foreign exchange gain resulted from translation of THB denominated balances against USD.

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

The Group reported profit before tax of RM27.7 million in the current year's fourth quarter as compared to loss before tax of RM4.5 million in the preceding quarter.

Despite reporting fair value gain on investment securities and foreign exchange gain which arose from translation on THB, SGD and CAD denominated balances, the Group results dropped mainly due to higher personnel cost, and impairment loss on properties, right-of-use assets and intangible assets.

B3 Prospects for the next financial year

The Group's financial performance in 2019 was affected by various external and domestic factors like the trade war between the US and China, Brexit, slowing global economy and net foreign selling of Malaysian equities due to weak corporate earnings outlook. Prospects for 2020 were looking better initially with the signing of a trade agreement between the US and China in last January, which painted a favourable outlook for global demand and contributed to a significant recovery in commodity prices. However, this possibility has been dampened greatly by the spread of coronavirus around the world. The negative implications on travelling and logistics have affected the global demand, productivity and supply chain. With many countries around the world downgrading their economic growth forecasts for 2020 and pursuing fiscal and monetary stimulus to plug the output gap, business conditions remain challenging for the Group in the next financial year.

The prospects for each business division are summarised below: -

Broking and financial services

Investor sentiment remained weak in the first two months of 2020 after a lacklustre 2019, due to the new coronavirus outbreak in China, which has spread around the globe and curbed free mobility and business sentiment. The negative impacts on global supply chain and final demand have painted a weak economic and earnings growth trajectory for nations and corporations respectively, dampening further the already soft growth prospects due to various prevailing global and domestic issues. These negative factors could be mitigated by the fiscal and monetary stimulus measures that will be implemented by the key trading nations and their central banks in 1Q2020. Business conditions could improve further if the new coronavirus could be contained by June.

The Group expects its Corporate Finance teams to continue contributing to its fee-based income by providing comprehensive financial advisory services and also contributions from its pool of proprietary traders. With the opening of its latest branch in Johor Bahru on 1 November 2019, the Group will continue to look for suitable locations to further its branch network.

Credit and lending

The financial year 2020 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 2020, 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 next financial year (continued)***Property development***

Year 2020 will be challenging for the property development division as the Malaysian property market is expected to be flattish. 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 amidst slower economic growth and continued to be affected by affordability issues. 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 the Group anticipates to achieve moderate sales from these property launches.

Hotel operations

Revenue in hotel operations for the FYE 31 December 2020 is expected to be negatively impacted by the expected decline in international travel as a result of the coronavirus outbreak in China. As China is the largest source market for international travel, this viral outbreak is expected to have a big impact on the global travel and tourism industry as travel restrictions to and from certain countries are being imposed to contain the spread of the virus.

Barring any unforeseen circumstances, the Group's financial performance is expected to be challenging for the financial year ending 31 December 2020.

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
Current tax expense		
Malaysian - current year	5,831	14,074
- prior year	3,779	6,551
Foreign - current year	11,688	26,777
- prior year	(4,322)	29
Deferred tax expense		
Origination and reversal of temporary differences	2,511	(1,442)
	19,487	45,989

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 higher than the Malaysian statutory tax rate mainly due to the expenses incurred by certain subsidiaries not allowable for tax purpose.

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

B6 Corporate Proposals

There is no corporate proposal announced or not completed by the Group as at the date of this report, except as disclosed below: -

On 12 February 2020, the Company announced the following: -

- (i) the Company proposed to acquire additional interest in TA Global Bhd (“TAG”) via a proposed conditional voluntary take-over offer (“Proposed VGO”) to acquire up to 2,119,389,362 ordinary shares in TAG (“Offer Shares”), representing up to 39.83% equity interest in TAG, for a consideration of RM0.28 per Offer Share, which shall be satisfied by way of the following:
 - (a) a cash consideration of RM0.28 for every 1 Offer Share surrendered (“Cash Option”); or
 - (b) a share exchange based on an exchange ratio of 0.4211 new ordinary share in TAE “(TAE Shares)” (“Consideration Shares”) to be issued at an issue price of RM0.665 each for every 1 Offer Share surrendered; and
- (ii) the Company proposed to issue up to 550,539,554 new ordinary shares (“Subscription Shares”) at an issue price of RM0.665 each to be subscribed by Datuk Tiah Thee Kian to fund the Cash Option pursuant to the Proposed VGO (“Proposed Subscription”).

The Proposed VGO is conditional upon the following:

- (i) approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the Consideration Shares and Subscription Shares on the Main Market of Bursa Securities; and
- (ii) approval of the non-interested shareholders of the Company in relation to the Proposed VGO and the Proposed Subscription at an extraordinary general meeting of the Company to be convened.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA**
B7 Group Borrowings and Debt Securities

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

<u>Long term borrowings</u>	Secured RM'000	Unsecured RM'000	Total RM'000
Term loans	523,804	-	523,804
Revolving credits	64,000	-	64,000
Bridging loan	17,119	-	17,119
	604,923	-	604,923
<u>Short term borrowings</u>			
Overdrafts	713	-	713
Revolving credits	112,520	225,950	338,470
Other short-term loans	981,476	-	981,476
	1,094,709	225,950	1,320,659
Total borrowings	1,699,632	225,950	1,925,582

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")	81,119	387,182	468,301
Canadian Dollar ("CAD")	226,679	236,607	463,286
Singapore Dollar ("SGD")	297,125	8,137	305,262
United States Dollar ("USD")	-	640,912	640,912
Euro ("EUR")	-	32,509	32,509
Great Britain Pound ("GBP")	-	15,312	15,312
Total borrowings	604,923	1,320,659	1,925,582

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 December 2019 <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	207,692	-	-	-	-	207,692	207,692	-	-	207,692
Investment in unquoted shares	-	2,759	-	-	-	2,759	-	-	2,759	2,759
Investment in unquoted bonds	44,861	-	101,961	-	-	146,822	-	146,822	-	146,822
Investment in quoted unit trusts	23,230	-	-	-	-	23,230	-	23,230	-	23,230
Investment in unquoted securities	76,929	-	-	-	-	76,929	-	-	76,929	76,929
Derivatives	839	-	-	-	-	839	-	839	-	839
	353,551	2,759	101,961	-	-	458,271	207,692	170,891	79,688	458,271
Financial assets not measured at fair value										
Financial receivables	-	-	-	49,122	-	49,122	-	-	-	-
Trade receivables and other receivables **	-	-	-	291,960	-	291,960	-	-	-	-
Cash and bank balances	-	-	-	1,175,919	-	1,175,919	-	-	-	-
Other investment	-	-	-	48,774	-	48,774	-	-	-	-
	-	-	-	1,565,775	-	1,565,775	-	-	-	-
Financial liabilities measured at fair value										
Derivatives	1,251	-	-	-	-	1,251	-	1,251	-	1,251
	1,251	-	-	-	-	1,251	-	1,251	-	1,251
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	339,577	339,577	-	-	-	-
Borrowings - non-current	-	-	-	-	604,923	604,923	-	-	608,033	608,033
Borrowings - current	-	-	-	-	1,320,659	1,320,659	-	-	-	-
	-	-	-	-	2,265,159	2,265,159	-	-	608,033	608,033

** 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										
Derivatives	35,480	-	-	-	-	35,480	-	35,480	-	35,480
	35,480	-	-	-	-	35,480	-	35,480	-	35,480
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	334,466	334,466	-	-	-	-
Borrowings - non-current	-	-	-	-	688,071	688,071	-	-	688,094	688,094
Borrowings - current	-	-	-	-	1,241,758	1,241,758	-	-	-	-
	-	-	-	-	2,264,295	2,264,295	-	-	688,094	688,094

** 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 December 2019 and 31 December 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, forward exchange contracts 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 forward exchange contracts are estimated by incorporating various inputs such as the credit quality of counterparties, and foreign exchange spot and forward rates.

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 December 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	1,453,935
Disposal	(1,531,443)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(229,549)
- Realised	(9,865)
Foreign exchange loss recognised in profit or loss	
- Realised	(1,060)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	5,338
Balance at 31 December 2018	289,595
Balance at 1 January 2019	289,595
Purchases	1,029,436
Disposal	(1,466,623)
Fair value gains and losses recognised in profit or loss	
- Unrealised	66
- Realised	225,477
Foreign exchange loss recognised in profit or loss	
- Realised	(429)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	(593)
Balance at 31 December 2019	76,929

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 December 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 21 February 2020, there were no changes in material litigation since the last financial year ended 31 December 2018.

B10 Dividend

The Board of Directors has declared interim single-tier dividend of 1.00 sen per share for the financial year ended 31 December 2019 (2018: NIL). The dividend will be paid on 8 May 2020 to shareholders whose names appear in the Register of Members and Record of Depositors on 10 April 2020.

B11 Disclosure of derivatives

The Group has entered into geared equity accumulators, decumulators, forwards 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 Decumulators - Less than 1 year	39,553	-	(214)
Forward Exchange Contracts - Less than 1 year	2,932	-	(1,037)
Stock Options - Less than 1 year	2,030	839	-

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
	31 DEC 2019	31 DEC 2018	31 DEC 2019	31 DEC 2018
Basic earnings per share				
(Loss)/Profit for the period - attributable to owners of the Company (RM'000)	16,853	(164,022)	146,482	76,872
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)	0.98	(9.58)	8.56	4.49

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
 28 February 2020