

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	AS AT 30-JUNE-2018 (Unaudited) RM'000	AS AT 31-DEC-2017 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,242,757	2,355,738
Investment properties	576,400	590,863
Inventories	612,782	604,471
Intangible assets	297,944	310,435
Investment in associates	15,459	14,331
Investment in joint ventures	114,451	76,661
Investment in securities	162,703	186,918
Deferred tax assets	29,975	85,482
Receivables	16,105	17,026
	<u>4,068,576</u>	<u>4,241,925</u>
Current assets		
Contract costs	7,432	8,304
Investment in securities	457,997	341,281
Inventories	400,752	786,800
Contract assets	10,034	4,204
Receivables	89,683	95,539
Derivatives	-	240
Tax recoverable	50,989	33,429
Cash and bank balances	749,812	745,827
	<u>1,766,699</u>	<u>2,015,624</u>
TOTAL ASSETS	<u>5,835,275</u>	<u>6,257,549</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	2,660,862	2,660,862
Reserves	538,785	391,091
	<u>3,199,647</u>	<u>3,051,953</u>
Preference shares issued by subsidiaries	57,988	57,988
Total Equity	<u>3,257,635</u>	<u>3,109,941</u>
Non-current liabilities		
Deferred tax liabilities	225,481	226,330
Borrowings	398,325	363,691
Payables	-	7,468
	<u>623,806</u>	<u>597,489</u>
Current liabilities		
Borrowings	1,457,779	2,060,513
Payables	426,424	452,988
Contract liabilities	3,388	3,013
Income tax payable	41,260	28,913
Derivatives	24,983	4,692
	<u>1,953,834</u>	<u>2,550,119</u>
Total liabilities	2,577,640	3,147,608
TOTAL EQUITY AND LIABILITIES	<u>5,835,275</u>	<u>6,257,549</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.60</u>	<u>0.57</u>

Note:

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 2017 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUNE-2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUNE-2017 (Restated) RM'000	CURRENT YEAR TO DATE 30-JUNE-2018 RM'000	PRECEDING YEAR TO DATE 30-JUNE-2017 (Restated) RM'000
Revenue*	160,003	169,198	1,133,617	355,702
Other income	24,154	9,024	36,180	21,435
Other expenses	(177,495)	(156,739)	(852,554)	(295,311)
Operating profit	<u>6,662</u>	<u>21,483</u>	<u>317,243</u>	<u>81,826</u>
Finance income	18,389	18,791	38,857	35,905
Finance costs	(15,960)	(17,604)	(31,531)	(35,430)
Share of results in investment in associates, net of tax	(109)	(107)	(192)	(129)
Share of results in joint ventures, net of tax	5	-	13,524	-
Profit before tax	<u>8,987</u>	<u>22,563</u>	<u>337,901</u>	<u>82,172</u>
Income tax	(894)	(1,946)	(99,656)	(3,695)
Profit for the financial period	<u><u>8,093</u></u>	<u><u>20,617</u></u>	<u><u>238,245</u></u>	<u><u>78,477</u></u>
Profit attributable to: Owners of the Company	<u><u>8,093</u></u>	<u><u>20,617</u></u>	<u><u>238,245</u></u>	<u><u>78,477</u></u>
Earnings per share attributable to owners of the Company				
Basic (sen)	0.15	0.39	4.48	1.47
Fully diluted (sen)	0.15	0.39	4.48	1.47

*Included in the current year to date Revenue are non-recurring transactions as follows:

- (i) The sales proceeds of AUD245 million (RM749.6 million equivalent) excluding GST which was received on 10 January 2018 pursuant to the disposal of a development property located in Little Bay, New South Wales, Australia by TA Little Bay Pty Limited ("TALB"), a 100% owned subsidiary of the Company.
- (ii) The compensation sum of RM32 million received on 22nd March 2018 from Jabatan Ketua Pengarah Tanah dan Galian Negeri Selangor pursuant to the compulsory acquisition of 8,238 square metres of undeveloped land comprising of Lot 43160 and Lot 43161 located in Pekan Cempaka, District of Petaling Jaya, Selangor Darul Ehsan from TA First Credit Sdn. Bhd. ("T AFC"), a 100% owned subsidiary of the Company. The compulsory acquisition of Lot 43160 and Lot 43161 is under the Government of Selangor Gazette dated 23 February 2017 for the purpose of Light Rail Transit ("LRT3") from Bandar Utama to Johan Setia Daerah Petaling.

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUNE-2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUNE-2017 (Restated) RM'000	CURRENT YEAR TO DATE 30-JUNE-2018 RM'000	PRECEDING YEAR TO DATE 30-JUNE-2017 (Restated) RM'000
Profit for the financial period	8,093	20,617	238,245	78,477
Other comprehensive (loss)/income:				
Items that will be reclassified subsequently to profit or loss:				
Net profit/(loss) on foreign currency translation differences	11,128	(42,363)	(83,432)	(2,007)
Available-for-sale financial assets				
- Net fair value loss	-	(3,295)	-	(3,671)
- Reclassification to profit or loss	-	1,903	-	2,364
- Income tax effect	-	95	-	(206)
Debts investment at FVOCI				
- Net fair value loss	(3,143)	-	(4,989)	-
Other comprehensive (loss)/income for the financial period	<u>7,985</u>	<u>(43,660)</u>	<u>(88,421)</u>	<u>(3,520)</u>
Total comprehensive income for the financial period	<u>16,078</u>	<u>(23,043)</u>	<u>149,824</u>	<u>74,957</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>16,078</u>	<u>(23,043)</u>	<u>149,824</u>	<u>74,957</u>

Notes: Certain comparative figures have been restated to conform to current year's presentation

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 2017 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018**

	-----Attributable to owners of the Company-----					Distributable				
	Share capital RM'000	Merger deficit RM'000	Available-for-sale reserve RM'000	FVOCI reserve RM'000	Exchange translation reserve RM'000	Capital reserve RM'000	Retained profits RM'000	Total RM'000	Preference shares issued by subsidiaries RM'000	Total equity RM'000
At 1 January 2017	2,660,862	(926,077)	12,423	-	472,135	214	799,412	3,018,969	57,988	3,076,957
Total comprehensive income for the financial period										
- Profit for the financial period	-	-	-	-	-	-	78,477	78,477	-	78,477
- Other comprehensive expense	-	-	(1,513)	-	(2,007)	-	-	(3,520)	-	(3,520)
	-	-	(1,513)	-	(2,007)	-	78,477	74,957	-	74,957
At 30 June 2017 (unaudited)	<u>2,660,862</u>	<u>(926,077)</u>	<u>10,910</u>	<u>-</u>	<u>470,128</u>	<u>214</u>	<u>877,889</u>	<u>3,093,926</u>	<u>57,988</u>	<u>3,151,914</u>
At 1 January 2018, as previously reported	2,660,862	(926,077)	8,796	-	389,565	214	918,593	3,051,953	57,988	3,109,941
Effect of MFRS 9	-	-	(8,796)	8,107	-	-	(1,441)	(2,130)	-	(2,130)
At 1 January 2018, as restated	<u>2,660,862</u>	<u>(926,077)</u>	<u>-</u>	<u>8,107</u>	<u>389,565</u>	<u>214</u>	<u>917,152</u>	<u>3,049,823</u>	<u>57,988</u>	<u>3,107,811</u>
Total comprehensive income for the financial period										
- Profit for the financial period	-	-	-	-	-	-	238,245	238,245	-	238,245
- Other comprehensive expense	-	-	-	(4,989)	(83,432)	-	-	(88,421)	-	(88,421)
	-	-	-	(4,989)	(83,432)	-	238,245	149,824	-	149,824
At 30 June 2018 (unaudited)	<u>2,660,862</u>	<u>(926,077)</u>	<u>-</u>	<u>3,118</u>	<u>306,133</u>	<u>214</u>	<u>1,155,397</u>	<u>3,199,647</u>	<u>57,988</u>	<u>3,257,635</u>

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 2017 and the accompanying notes to the quarterly report attached hereto.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2018
(The figures have not been audited)

	6 MONTHS ENDED	
	30-JUN-2018	30-JUN-2017 (Restated)
	RM'000	RM'000
Operating Activities		
Profit before tax	337,901	82,172
Adjustments for:		
Non-cash items	55,901	50,913
Non-operating items	(10,533)	(16,119)
Operating profit before changes in working capital	<u>383,269</u>	<u>116,966</u>
Net decrease in assets	475,908	99,555
Net decrease in liabilities	(192,114)	(88,450)
Cash generated from operations	<u>667,063</u>	<u>128,071</u>
Interest received	6,017	3,396
Taxes paid	(49,411)	(26,883)
Net cash generated from operating activities	<u>623,669</u>	<u>104,584</u>
Investing Activities		
Interest received, net	32,840	32,509
Additional investment in associate company	(1,320)	-
Dividend received	821	1,173
Proceeds from interest in joint ventures	-	164,410
Purchase of inventories - land held for property development	(8,311)	(37,314)
Purchase of property, plant and equipment	(15,125)	(348,423)
Purchase of intangible assets	(86)	-
Proceeds from disposal of property, plant and equipment	74	30
Purchase of investment properties	(2,664)	(1,810)
Purchase of investment securities	(620,881)	(396,480)
Proceeds from settlement of derivatives	9,988	10,061
Proceeds from disposal/redemption of investment securities	549,663	364,640
Decrease in pledged deposits for investing facilities	32,212	122,771
Other payments	1	(50)
Net cash used in investing activities	<u>(22,788)</u>	<u>(88,483)</u>
Financing Activities		
Interest paid	(31,531)	(35,430)
Net (repayment)/drawdown of borrowings	(525,388)	41,073
Net cash (used in)/generated from financing activities	<u>(556,919)</u>	<u>5,643</u>
Net increase in cash and cash equivalents during the period	43,962	21,744
Cash and cash equivalents at beginning of financial year		
As previously reported	179,461	156,186
Effects of exchange rate changes	(7,185)	(13,831)
As restated	172,276	142,355
Cash and cash equivalents at end of current period	<u>216,238</u>	<u>164,099</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	749,812	797,177
Less:		
Cash pledged for bank facilities	(533,574)	(633,078)
	<u>216,238</u>	<u>164,099</u>

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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 2017.

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 2017, 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 9 <i>Financial Instruments</i>	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
Amendments to MFRS 2 <i>Share-based Payment – Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
Amendments to MFRS 4 <i>Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts</i>	1 January 2018
Amendments to MFRS 128 <i>Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)</i>	1 January 2018
Amendments to MFRS 140 <i>Investment Property – Transfers of Investment Property</i>	1 January 2018

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 9 *Financial Instruments*

MFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces MFRS 139 *Financial Instruments: Recognition and Measurement*.

The following table summarises the impact, net of tax, of transition to MFRS 9 on the opening balance of reserves, retained earnings and NCI (for a description of the transition method, see (iii) below).

Impact of adopting MFRS 9 on opening balance	
RM'000	
AFS Reserve	
Classification impact under MFRS 9	(8,796)
Impact at 1 January 2018	(8,796)
FVOCI Reserve	
Classification impact under MFRS 9	6,913
Recognition of expected credit losses under MFRS 9	1,194
Impact at 1 January 2018	8,107
Retained earnings	
Classification impact under MFRS 9	2,445
Recognition of expected credit losses under MFRS 9	(3,886)
Impact at 1 January 2018	(1,441)

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

(i) *Classification and measurement of financial assets and financial liabilities*

MFRS 9 largely retains the existing requirements in MFRS 139 for the classification and measurement of financial liabilities. However, it eliminates the previous MFRS 139 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of MFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities and derivative financial instruments as the Group's derivatives are not used as hedging instruments.

Under MFRS 9, on initial recognition, the Group classifies its financial assets as measured at:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL").

A2 Changes in Accounting Policies (continued)

MFRS 9 *Financial Instruments* (continued)

(i) *Classification and measurement of financial assets and financial liabilities (continued)*

The classification of financial assets under MFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The following summarises the key changes which affects the Group:

- The Available-for-sale ("AFS") and loans and receivables financial asset categories were removed.
- A new asset category measured at Fair Value through Other Comprehensive Income ("FVOCI") was introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principal and interests and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- A new asset category measured at amortised cost was introduced. This applies to financial assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by collecting contractual cash flows only.

(ii) *Impairment of financial assets*

MFRS 9 replaces the 'incurred loss' model in MFRS 139 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The Group's financial assets at amortised cost consist of financial receivables, trade and other receivables, and bank balances.

The key changes in the Group's accounting policies for impairment of financial assets are as follow:

a) Unquoted bonds, financial receivables, and bank balances

The amount of ECL is measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial asset discounted at its original effective interest rate. The cash shortfall is the difference between all contractual cash flows that are due to the Group and all the cash flows that the Group expects to receive.

The Group applies a two-step approach to measure the ECL on unquoted bonds, financial receivables, and cash and cash equivalents:

(i) 12-months ECL

For a financial asset for which there is no significant increase in credit risk since initial recognition, the Group shall measure the loss allowance for that financial asset at an amount equal to the probability of default events occurring within the next 12 months and considering the loss given default of that financial asset.

A2 Changes in Accounting Policies (continued)

MFRS 9 *Financial Instruments* (continued)

(ii) *Impairment of financial assets (continued)*

a) Unquoted bonds, financial receivables, and bank balances (continued)

(ii) Lifetime ECL

For a financial asset for which there is a significant increase in credit risk since initial recognition, a lifetime ECL for that financial asset is recognised as loss allowance by the Group. If in a subsequent period, the lifetime ECL is no longer met, the Group shall revert the loss allowance measurement from lifetime ECL to 12-months ECL.

At each reporting date, the Group assesses whether there is a significant increase in credit risk for unquoted bonds, financial receivables and bank balances since initial recognition by comparing risk of defaults on these financial assets as at the reporting date with the risk of defaults as at the date of initial recognition. The Group considers external credit rating and other supportive information to assess deterioration in credit quality of these financial assets.

b) Trade and other receivables which are financial assets

The Group applies the simplified approach prescribed by MFRS 9 which required expected lifetime losses to be recognised from initial recognition of the trade and other receivables which are financial assets.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

A2 Changes in Accounting Policies (continued)

MFRS 9 *Financial Instruments* (continued)

The following table explains the reclassification and measurement of each class of the Group's financial assets as at 1 January 2018.

	Original classification Note	New classification under MFRS 9	Original carrying value under MFRS 139	New carrying value under MFRS 9
			RM'000	RM'000
Non-current financial assets				
Investment in quoted shares		Available-for-sale	7,011	7,011
Investment in unquoted bonds	(b)	Available-for-sale	177,971	177,971
Investment in quoted unit trusts		Available-for-sale	1,936	1,936
Current financial assets				
Financial receivables	(c)	Loans and receivables	93	93
Trade receivables and other receivables	(c)	Loans and receivables	77,262	75,150
Cash and cash equivalents		Loans and receivables	745,827	745,247
Contract assets		Loans and receivables	4,204	4,204
Derivatives		Held-for-trading	240	240
Investment in quoted shares	(d)	Designated as at FVTPL	81,856	81,856
Investment in quoted unit trusts	(d)	Designated as at FVTPL	20,331	20,331
Investment in unquoted securities		Held-for-trading	239,094	239,094

The effect of adopting MFRS 9 on the carrying values of financial assets at 1 January 2018 related solely to the new impairment requirements, as described further below:

- (a) Investment in unquoted shares represents investment that the Group intends to hold for the long term for strategic purposes. As permitted by MFRS 9, the Group has designated these investments at the date of initial application as measured at FVOCI. Unlike MFRS 139, the accumulated fair value reserve related to this investment will never be reclassified to profit or loss.
- (b) Investment in unquoted bonds categorised as available-for-sale under MFRS 139 are held by the Group in a separate portfolio to provide interest income, but may be sold to meet liquidity requirements arising in the normal course of business. The Group considers that these bonds are held within a business model whose objective is achieved both by collecting contractual cash flows and by selling bonds. The contractual terms of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets have therefore been classified as financial assets at FVOCI under MFRS 9. On transition to MFRS 9, an allowance for impairment of RM1.2mil was recognised as a decrease in opening retaining earnings and a decrease in FVOCI reserve at 1 January 2018.
- (c) Financial receivables, trade receivables, other receivables, and cash and cash equivalents that have previously been classified as loans and receivables under MFRS 139 are now classified at amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. An increase of RM2.7mil in the allowance for impairment over these assets was recognised in opening retained earnings at 1 January 2018 on transition to MFRS 9.

A2 Changes in Accounting Policies (continued)

MFRS 9 *Financial Instruments* (continued)

- (d) Under MFRS 139, these securities were designated as at FVTPL because they were managed on a fair value basis and their performance was monitored on this basis. These securities have been classified as mandatorily measured at FVTPL under MFRS 9.

For assets in the scope of the MFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Group has determined that the application of MFRS 9's impairment requirements at 1 January 2018 results in an additional impairment allowance as follows:-

	Note	Impact of the new impairment model RM'000
Loss allowance at 31 December 2017 under MFRS 139		13,320
Additional impairment recognised at 1 January 2018 on:		
Trade and other receivables		2,112
Cash and cash equivalents		580
Loss allowance at 1 January 2018 under MFRS 9		16,012

(iii) *Transition*

Changes in accounting policies resulting from the adoption of MFRS 9 have been applied retrospectively, except as described below.

The Group has taken an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of MFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not generally reflect the requirements of MFRS 9 but rather those of MFRS 139.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.

- The determination of the business model within which a financial asset is held.
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
- The designation of certain investments in equity instruments not held for trading as at FVOCI.

If an investment in a debt security had low credit risk at the date of initial application of MFRS 9, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

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 on the hotel operations which may be affected by seasonal factors impacting the occupancy and room rates and the cyclical factors affecting the general Malaysian economy.

A5 Unusual Items Affecting the Financial Statements

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

A6 Changes in Accounting Estimates

There were no changes in estimates that have had a material effect in the current 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.

A9 Segmental Information

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

	Investment holding and Others RM'000	Credit and lending RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External revenue	2,569	-	30,387	780,810	319,851	-	1,133,617
Inter-segment revenue	18,209	13,795	1,170	-	-	(33,174)	-
Total revenue	20,778	13,795	31,557	780,810	319,851	(33,174)	1,133,617
Results							
Net segment results	(6,984)	(38,645)	14,234	339,385	55,581	-	363,571
Foreign exchange (loss)/gain	(26,900)	(20,162)	(7)	647	9,289	-	(37,133)
Operating (loss)/ profit	(33,884)	(58,807)	14,227	340,032	64,870	-	326,438
Finance income	296	37,248	214	891	208	-	38,857
Finance costs	(7,912)	(5,619)	(7,225)	(3,230)	(7,545)	-	(31,531)
Share of results of associates	-	-	(192)	-	-	-	(192)
Share of results of joint venture	-	-	-	13,524	-	-	13,524
Segment (loss)/profit	(41,500)	(27,178)	7,024	351,217	57,533	-	347,096
Unallocated corporate expenses							(9,195)
Profit before tax							337,901
Income tax							(99,656)
Profit for the financial period							238,245
Profit attributable to:							
Equity holders of the Company							238,245

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 6 months ended 30 June <i>In RM'000</i>	Reportable segments												Consolidated	
	Investment holding		Credit and lending		Property investment		Property development		Hotel operations		Others			
	2018	2017 *	2018	2017 *	2018	2017 *	2018	2017 *	2018	2017 *	2018	2017 *		
Primary geographical markets														
Malaysia	2,563	1,816	-	-	11,498	12,328	40,077	1,067	223	-	6	88	54,367	15,299
Australia	-	-	-	-	-	-	740,733	-	112,963	129,271	-	-	853,696	129,271
Canada	-	-	-	-	18,889	14,463	-	-	61,482	54,910	-	-	80,371	69,373
Singapore	-	-	-	-	-	-	-	-	82,719	80,321	-	-	82,719	80,321
China	-	-	-	-	-	-	-	-	18,943	18,878	-	-	18,943	18,878
Thailand	-	-	-	-	-	-	-	-	43,521	42,560	-	-	43,521	42,560
	2,563	1,816	-	-	30,387	26,791	780,810	1,067	319,851	325,940	6	88	1,133,617	355,702
Major products/service lines														
Hotel room rental and related revenue	-	-	-	-	-	-	-	-	319,851	325,940	-	-	319,851	325,940
Management fees	2,203	1,558	-	-	812	247	-	-	-	-	-	-	3,015	1,805
Sales of properties	-	-	-	-	-	-	779,685	-	-	-	-	-	779,685	-
Sales of construction materials	-	-	-	-	-	-	-	-	-	-	6	88	6	88
Operator fee	360	258	-	-	-	-	-	-	-	-	-	-	360	258
Rental income	-	-	-	-	29,575	26,544	1,125	1,067	-	-	-	-	30,700	27,611
	2,563	1,816	-	-	30,387	26,791	780,810	1,067	319,851	325,940	6	88	1,133,617	355,702

* The Group has initially applied MFRS 9 at 1 January 2018. Under the transition method chosen, comparative information is not restated. See **Note A2 (iii)**.

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 2017.

A14 Commitments

The amount of capital commitments not provided for as at 30 June 2018 were as follow:

	RM'000
Approved and contracted for:-	
- Property, plant and equipment	4,623
- Development expenditure	114,842
	<u>119,465</u>

B1 Performance Analysis of the Group's Operating Segments

	CURRENT YEAR QUARTER 30 JUNE 2018 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 JUNE 2017 RM'000 (Restated)
Revenue	160,003	169,198
Other income		
- Gain on redemption of investment securities	661	1,903
- Unrealised fair value gain/(loss) on investment securities	12,246	(395)
- Realised fair value gain on investment securities	805	452
- Realised fair value gain on derivatives	4,630	3,372
- Rental income	145	615
- Dividend income from shares quoted outside Malaysia	996	1,575
- Others	4,671	1,417
	24,154	8,939
Other expenses		
- Amortisation and depreciation	(26,697)	(27,948)
- Cost of properties and contract cost	3,193	8,613
- Hotel operational and personnel cost	(109,626)	(114,588)
- Unrealised fair value(loss)/gain on derivatives	(10,734)	2,453
- Personnel cost and others	(21,728)	(27,375)
- Property, plant and equipment written off	-	(19)
- Loss on disposal of property, plant and equipment	(30)	-
- Reversal of impairment loss on receivable	142	85
- Foreign exchange (loss)/gain	(12,015)	2,125
	(177,495)	(156,654)
Finance income	18,389	18,791
Finance costs	(15,960)	(17,604)
Share of results in associates	(109)	(107)
Share of results in joint venture	5	-
Profit before tax	8,987	22,563

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

The Group reported revenue of RM160.0 million and profit before tax of RM9.0 million for the current year's second quarter, compared to revenue of RM169.2 million and profit before tax of RM22.6 million reported in the previous year's corresponding quarter. This was due to foreign exchange loss on translation of USD and SGD denominated balances.

For the current period to date, the Group reported revenue of RM1,133.6 million and profit before tax of RM337.9 million, as compare to revenue of RM355.7 million and profit before tax of RM82.2 million reported in the previous corresponding period. The increase was mainly attributable to contribution from property development division.

The performance of the Group, analysed by its key operating segments were as follows:-

Investment holding and others

Investment holding and others division reported profit before tax of RM3.4 million in the current year's second quarter, as compared to loss before tax of RM20.6 million in the previous year's corresponding quarter. The increase in profit before tax was mainly due foreign exchange gain on translation of USD and CAD denominated balances.

For the current period-to-date, this division reported loss before tax of RM50.7 million, as compared to loss before tax of RM27.1 million in the preceding year's period-to-date. The increase in loss before tax was mainly due to foreign exchange loss on translation of CAD and AUD denominated balances.

Credit and lending

For the current year's second quarter, credit and lending division reported profit before tax of RM16.7 million, as compared to profit before tax of RM24.8 million in the previous year's corresponding quarter. This was mainly due to foreign exchange loss resulted from translation of CAD and AUD denominated balances.

For the current period-to-date, this division reported loss before tax of RM27.2 million, as compared to profit before tax of RM58.2 million in the preceding year's period-to-date. Despite the higher investment interest income, the results dropped mainly due to unrealised fair value losses on derivatives and investment securities as well as net foreign exchange loss resulted from translation of CAD and AUD denominated balances.

Property investment

Property investment division reported profit before tax of RM2.9 million in the current year's second quarter, as compared to profit before tax of RM2.4 million in the previous year's corresponding quarter.

For the current period to date, this division reported profit before tax of RM7.0 million, as compared to profit before tax of RM4.3 million in the preceding year's period-to-date.

The higher quarterly and period to date profit before tax were mainly due to higher revenue from property investment.

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

Property development

Property development division reported loss before tax of RM6.1 million in the current year's second quarter, as compared to loss before tax of RM0.8 million in previous year's corresponding quarter. The increase in loss before tax was mainly due to the absence of profit recognition on development project in Australia.

For the current period to date, this division reported profit before tax of RM351.2 million, as compared to loss before tax of RM5.6 million in the preceding year's period-to-date. The increase was mainly due to gain on disposal of development property located in Little Bay, Australia and the compulsory acquisition of an undeveloped land located in Petaling Jaya, Selangor Darul Ehsan by the Government of Malaysia.

Hotel operations

Hotel operations division registered net operating profit of RM14.0 million in the current year's second quarter, as compared to RM7.1 million in the previous year's corresponding quarter.

For the current period to date, this division reported net operating profit of RM48.2 million, as compared to net operating profit of RM35.6 million in the preceding year's period to date.

The increase in current quarter and period to date net operating profit was mainly due to lower hotel operation cost.

However, profit before tax of hotel operations division of the current quarter and period to date was partially dragged down by lower foreign exchange gain of the current quarter, and higher foreign exchange loss of the current period to date, resulted from the depreciation of THB 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 RM9.0 million in the current year's second quarter as compared to profit before tax of RM328.9 million in the preceding quarter.

This was mainly due to lower contribution from property development division.

B3 Prospects for the current financial year

With the conclusion of the Malaysian 14th General Election in May 2018 recently, the general prospect of most business sectors in Malaysia is expected to be more upbeat and positive. With the revised growth rate of 5.0% in 2018 for Malaysia, local businesses are expected to record better growth for the year. On the global front, global business activities may see higher growth for 2018 on the back of an expected growth rate of 3.1%.

The prospects for each business division are summarized below: -

Credit and lending

The credit and lending segment shall remain as part of the business strategy for the Group to support the property development and property investment divisions for the financial year 2018. The Group will continue to explore investment opportunities to maximise income and strengthen its financial position for future property development and property investments activities.

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

Property investment

For the financial year 2018, 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 long tenancy terms.

Property development

The year 2018 will be a challenging year with certain pressing issues that will continue to affect the property market. In the recent years, the Government has implemented various cooling measures to curb excessive speculation in the property market. Coupled with the over-supply of properties, lower disposable income and lower purchasing power of the average Malaysians and stringent mortgage criteria imposed by the financial institutions, the property market is currently lacklustre. Generally, the Malaysia property market is expected to be flattish in 2018 with low single digit growth in terms of prices and moderate property sales.

For the financial year 2018, the Group will focus on selling our existing local property development launched, i.e. Ativo Suites at Damansara Avenue.

On the overseas front, the Group's development project in Little Bay Cove is expected to be completed and delivered to the Purchasers in the third quarter of 2018. This Illume apartment project consists of 179-units of high-end apartments in Little Bay, Sydney, Australia is currently 99.4% sold.

Hotel operations

For the financial year 2018, the Group's hospitality businesses located in Singapore, Australia, Canada, China and Thailand will continue to grow its revenue and profits and provide a steady recurring income stream for the Group. Following the completion of major refurbishment and upgrading works in these hotels in Singapore, Australia, Canada and Thailand, improved results are expected as these hotels are poised to regain loss grounds and improve its market share in 2018.

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

Barring any unforeseen circumstances, the Group's financial performance is expected to be good for the financial year ending 31 December 2018.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

Taxation for the current financial period is as follows:

	CURRENT QUARTER RM'000	YEAR TO DATE RM'000
Current tax expense		
Malaysian - current year	(977)	7,422
- prior year	-	12
Foreign - current year	4,597	42,203
- prior year	(1,796)	(1,796)
Deferred tax expense		
Origination and reversal of temporary differences	(2,035)	51,180
Over provision in prior year	1,105	635
	<u>894</u>	<u>99,656</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2017: 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 effective tax rate of the Group for the current quarter was lower than the Malaysian statutory tax rate mainly due to reversal of prior year's tax expense.

The effective tax rate of the Group for the year to date was higher than the Malaysian statutory tax rate mainly due to reversal of deferred tax asset, income subject to higher tax rate in certain jurisdiction of the subsidiaries and non-allowable expenses for tax assessment.

B6 Corporate Proposals

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

Utilisation of sale proceeds

As at 23 August 2018, 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 are as follows:

Utilisation purposes		Proposed utilisation as set out in the circular dated 7-Nov-17	Actual utilisation as at 23/8/18	Proposed utilisation of the remaining disposal consideration	
		Amount RM'000	Amount RM'000	Amount RM'000	Intended timeframe for utilisation
1)	Working capital for on-going property development projects	149,081	(133,232)	15,849	Within 17 months
2)	Repayment of bank borrowings	583,362	(583,362)	-	Utilised
3)	Estimated tax expenses in relation to the Proposed Disposal	45,373	-	45,373	Within 5 months
4)	Estimated expenses in relation to the Proposed Disposal	16,205	(16,205)	-	Utilised
	TOTAL	794,021	(732,799)	61,222	

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 30 June 2018 were as follows:-

	SECURED	UNSECURED	TOTAL
	RM'000	RM'000	RM'000
<u>Long term borrowings</u>			
Term loans	334,325	-	334,325
Revolving credit	64,000	-	64,000
	398,325	-	398,325
<u>Short term borrowings</u>			
Revolving credit	56,950	108,000	164,950
Bank overdraft	324	-	324
Other short-term loans	1,292,505	-	1,292,505
	1,349,779	108,000	1,457,779
Total borrowings	1,748,104	108,000	1,856,104

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

	Long term	Short term	Total
	borrowings	borrowings	RM'000
	RM'000	RM'000	
Ringgit Malaysia ("RM")	120,000	180,950	300,950
Canadian Dollar ("CAD")	278,325	188,902	467,227
Singapore Dollar ("SGD")	-	492,778	492,778
Australian Dollar ("AUD")	-	46,963	46,963
United States Dollar ("USD")	-	494,327	494,327
Euro ("EUR")	-	43,335	43,335
British Pound ("GBP")	-	10,524	10,524
Total borrowings	398,325	1,457,779	1,856,104

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.

30 Jun 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	61,909	-	-	-	-	61,909	61,909	-	-	61,909
Investment in unquoted bonds	-	-	160,469	-	-	160,469	-	160,469	-	160,469
Investment in quoted unit trusts	21,778	-	-	-	-	21,778	-	21,778	-	21,778
Investment in unquoted securities	376,544	-	-	-	-	376,544	-	-	376,544	376,544
Derivatives	-	-	-	-	-	-	-	-	-	-
	460,231	-	160,469	-	-	620,700	61,909	182,247	376,544	620,700
Financial assets not measured at fair value										
Financial receivables	-	-	-	52	-	52	-	-	-	-
Trade receivables and other receivables **	-	-	-	65,055	-	65,055	-	-	-	-
Cash and cash equivalents	-	-	-	749,812	-	749,812	-	-	-	-
Contract assets	-	-	-	10,034	-	10,034	-	-	-	-
	-	-	-	824,953	-	824,953	-	-	-	-
Financial liabilities measured at fair value										
Derivatives	24,983	-	-	-	-	24,983	-	24,983	-	24,983
	24,983	-	-	-	-	24,983	-	24,983	-	24,983
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	370,131	370,131	-	-	-	-
Borrowings	-	-	-	-	1,856,104	1,856,104	-	-	-	-
Contract liabilities	-	-	-	-	3,388	3,388	-	-	-	-
	-	-	-	-	2,229,623	2,229,623	-	-	-	-

** 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 2017 * <i>In RM'000</i>	Carrying amount					Total	Fair value			
	Designated as at FVTPL	Held for trading	Available for sale	Loans and receivables	Financial liabilities at amortised cost		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Investment in quoted shares	81,856	-	7,011	-	-	88,867	88,867	-	-	88,867
Investment in unquoted bonds	-	-	177,971	-	-	177,971	-	177,971	-	177,971
Investment in quoted unit trusts	20,331	-	1,936	-	-	22,267	-	22,267	-	22,267
Investment in unquoted securities	-	239,094	-	-	-	239,094	-	-	239,094	239,094
Derivatives	-	240	-	-	-	240	-	240	-	240
	102,187	239,334	186,918	-	-	528,439	88,867	200,478	239,094	528,439
Financial assets not measured at fair value										
Financial receivables	-	-	-	93	-	93	-	-	-	-
Trade receivables and other receivables **	-	-	-	77,262	-	77,262	-	-	-	-
Cash and cash equivalents	-	-	-	745,827	-	745,827	-	-	-	-
Contract assets	-	-	-	4,204	-	4,204	-	-	-	-
	-	-	-	827,386	-	827,386	-	-	-	-
Financial liabilities measured at fair value										
Derivatives	4,692	-	-	-	-	4,692	-	4,692	-	4,692
	4,692	-	-	-	-	4,692	-	4,692	-	4,692
Financial liabilities not measured at fair value										
Trade payables and other payables **	-	-	-	-	382,150	382,150	-	-	-	-
Borrowings	-	-	-	-	2,424,204	2,424,204	-	-	-	-
Contract liabilities	-	-	-	-	3,013	3,013	-	-	-	-
	-	-	-	-	2,809,367	2,809,367	-	-	-	-

* The Group has initially applied MFRS 9 as at 1 January 2018. Under the transition method chosen, comparative information is not restated.

** 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 30 June 2018 and 31 December 2017.

(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 trusts, 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 forward exchange contracts are estimated by incorporating various inputs including the credit quality of counterparties, and foreign exchange spot and forward rates.

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 quarter/year-to-date ended 30 June 2018.

B8 Financial Instruments (continued)

(ii) Fair values (continued)

(b) Financial instruments measured at fair value (continued)

(iii) Level 3: Inputs for the assets that are not based on observable market data

Unquoted securities are measured at Level 3.

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 a 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 2017	293,938
Purchases	266,430
Disposal	(187,811)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(946)
- Realised	(1,178)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	(13,965)
Balance at 30 June 2017	356,468
Balance at 1 January 2018	239,094
Purchases	513,726
Disposal	(359,595)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(14,263)
- Realised	(5,277)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	2,859
Balance at 30 June 2018	376,544

(c) Financial instruments not measured at fair value

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

B9 Material Litigation

As at 23 August 2018, there were no changes in material litigation since the last financial year ended 31 December 2017.

B10 Dividend

Apart from the final single tier dividend of 0.60 sen per ordinary share in respect of the financial year ended 31 December 2017 which was approved by shareholders during Annual General Meeting on 27 June 2018, there was no further dividend declared as at the date of this announcement. The approved dividend amounted to RM31,930,335 was subsequently paid on 20 July 2018.

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 forwards 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 technique 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/(liability) RM'000
Geared Equity Accumulators -Less than 1 year	221,484	(19,193)
Geared Equity Decumulators -Less than 1 year	18,221	(4,110)
Geared Equity Forward -Less than 1 year	53,721	(1,680)

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 QUARTER		CUMULATIVE PERIOD	
	CURRENT	PRECEDING	CURRENT	PRECEDING
	YEAR	YEAR	YEAR	YEAR
	QUARTER	CORRESPONDING	TO DATE	TO DATE
	30 JUNE 2018	30 JUNE 2017	30 JUNE 2018	30 JUNE 2017
Basic earnings per share				
Profit for the period - attributable to owners of the Company (RM'000)	8,093	20,617	238,245	78,477
Weighted average number of ordinary shares in issue ('000)	5,321,724	5,321,724	5,321,724	5,321,724
Basic earnings per share (sen)	0.15	0.39	4.48	1.47

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
30 August 2018