

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2019**

	<b>AS AT 30-SEP-2019 (Unaudited) RM'000</b>	<b>AS AT 31-DEC-2018 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,143,999	2,201,511
Right-of-use assets	350,533	-
Investment properties	576,558	573,548
Inventories	649,951	638,102
Intangible assets	297,337	297,740
Investments in associates	15,639	15,448
Investments in joint ventures	118,713	113,827
Investments in securities	114,154	140,019
Deferred tax assets	17,679	17,159
Receivables	17,411	16,711
	<u>4,301,974</u>	<u>4,014,065</u>
<b>Current assets</b>		
Contract assets	25,436	8,257
Contract costs	9,055	8,556
Investments in securities	278,048	317,950
Inventories	89,031	91,804
Receivables	53,381	90,625
Derivatives	961	-
Tax recoverable	24,577	36,681
Other investment	46,025	-
Cash and bank balances	631,625	940,829
	<u>1,158,139</u>	<u>1,494,702</u>
<b>TOTAL ASSETS</b>	<b><u>5,460,113</u></b>	<b><u>5,508,767</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	2,660,862	2,660,862
Reserves	499,506	441,979
	<u>3,160,368</u>	<u>3,102,841</u>
Preference shares issued by subsidiary	50,000	50,000
<b>Total Equity</b>	<b><u>3,210,368</u></b>	<b><u>3,152,841</u></b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	212,064	214,471
Borrowings	679,130	688,071
Lease liabilities	1,173	-
Payables	2,576	4,827
	<u>894,943</u>	<u>907,369</u>
<b>Current liabilities</b>		
Borrowings	1,003,533	999,879
Lease liabilities	1,637	-
Payables	324,568	315,848
Contract liabilities	17,204	19,257
Income tax payable	3,751	84,609
Derivatives	4,109	28,964
	<u>1,354,802</u>	<u>1,448,557</u>
<b>Total liabilities</b>	<b>2,249,745</b>	<b>2,355,926</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>5,460,113</u></b>	<b><u>5,508,767</u></b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.59</u>	<u>0.58</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 2018 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	30-SEP-2019 RM'000	30-SEP-2018 RM'000	30-SEP-2019 RM'000	30-SEP-2018 RM'000
<b>Revenue</b>	203,599	616,285	578,053	1,761,161
Other income	77,840	22,362	194,316	34,327
Other expenses	(253,052)	(545,505)	(571,247)	(1,385,103)
<b>Operating profit</b>	28,387	93,142	201,122	410,385
Finance income	863	29,624	3,490	68,481
Finance costs	(15,109)	(17,119)	(43,313)	(48,650)
Share of results in associates, net of tax	-	(24)	162	(216)
Share of results in joint ventures, net of tax	-	128	18	13,652
<b>Profit before tax</b>	14,141	105,751	161,479	443,652
Income tax	(7,752)	(39,344)	(24,349)	(139,000)
<b>Profit for the financial period</b>	6,389	66,407	137,130	304,652
<b>Profit attributable to: Owners of the Company</b>	6,389	66,407	137,130	304,652
<b>Earnings per share attributable to owners of the Company</b>				
Basic (sen)	0.12	1.25	2.58	5.72
Fully diluted (sen)	0.12	1.25	2.58	5.72

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

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-SEP-2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-SEP-2018 RM'000	CURRENT YEAR TO DATE 30-SEP-2019 RM'000	PRECEDING YEAR TO DATE 30-SEP-2018 RM'000
Profit for the financial period	6,389	66,407	137,130	304,652
<b>Other comprehensive (loss)/income, net of tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Net (loss)/gain on foreign currency translation differences	(5,438)	39,877	(8,508)	(43,555)
Debits investments measured at FVOCI				
- Net fair value gain/(loss)	560	(504)	13,601	(5,493)
- Reclassification to profit or loss	-	-	452	-
Other comprehensive (loss)/income for the financial period, net of tax	(4,878)	39,373	5,545	(49,048)
<b>Total comprehensive income for the financial period</b>	<b>1,511</b>	<b>105,780</b>	<b>142,675</b>	<b>255,604</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	1,511	105,780	142,675	255,604

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD 30 SEPTEMBER 2019**

	-----Attributable to owners of the Company-----								
	-----Non-distributable-----				Distributable				
	Share capital	Merger deficit	Fair value reserve	Exchange translation reserve	Capital reserve	Retained earnings	Total	Preference shares issued by subsidiaries	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2018, as previously reported</b>	2,660,862	(926,077)	8,796	389,565	214	918,593	3,051,953	57,988	3,109,941
Effects of MFRS 9	-	-	(4,106)	-	-	3,684	(422)	-	(422)
<b>At 1 January 2018, restated</b>	2,660,862	(926,077)	4,690	389,565	214	922,277	3,051,531	57,988	3,109,519
<b>Total comprehensive income for the financial period</b>									
- Profit for the financial period	-	-	-	-	-	304,652	304,652	-	304,652
- Other comprehensive loss	-	-	(5,493)	(43,555)	-	-	(49,048)	-	(49,048)
	-	-	(5,493)	(43,555)	-	304,652	255,604	-	255,604
<b>Contributions by and distributions to owners of the Company</b>									
Dividend to owners of the Company	-	-	-	-	-	(31,930)	(31,930)	-	(31,930)
<b>Total transaction with owners of the Company</b>	-	-	-	-	-	(31,930)	(31,930)	-	(31,930)
<b>At 30 September 2018 (unaudited)</b>	2,660,862	(926,077)	(803)	346,010	214	1,194,999	3,275,205	57,988	3,333,193
<b>At 1 January 2019</b>	2,660,862	(926,077)	(9,833)	329,045	220	1,048,624	3,102,841	50,000	3,152,841
<b>Total comprehensive income for the financial period</b>									
- Profit for the financial period	-	-	-	-	-	137,130	137,130	-	137,130
- Other comprehensive income/(loss)	-	-	14,053	(8,508)	-	-	5,545	-	5,545
	-	-	14,053	(8,508)	-	137,130	142,675	-	142,675
<b>Contributions by and distributions to owners of the Company</b>									
Dividend to owners of the Company	-	-	-	-	-	(85,148)	(85,148)	-	(85,148)
Redemption of preference shares by subsidiary	-	-	-	-	22,400	(22,400)	-	-	-
<b>Total transaction with owners of the Company</b>	-	-	-	-	22,400	(107,548)	(85,148)	-	(85,148)
<b>At 30 September 2019 (unaudited)</b>	2,660,862	(926,077)	4,220	320,537	22,620	1,078,206	3,160,368	50,000	3,210,368

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

(The figures have not been audited)

	9 months ended	
	30-SEP-2019	30-SEP-2018
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Cash generated from operations	153,893	1,196,785
Interest received	4,475	2,053
Taxes paid	(95,613)	(78,240)
<b>Net cash generated from operating activities</b>	<u>62,755</u>	<u>1,120,598</u>
<b>Cash flows from investing activities</b>		
Interest received, net	32,177	66,428
Disposal of subsidiary, net of cash disposed	11,488	-
Acquisition of business	(317,345)	-
Dividend received	1,403	952
Additional investment in associate company	-	(1,320)
Development costs on land held for development	(15,759)	(20,259)
Purchase of property, plant and equipment	(10,162)	(18,951)
Purchase of intangible assets	(327)	(149)
Proceeds from disposal of property, plant and equipment	40	224
Purchase of investment properties	(6,045)	(3,170)
Purchase of investment securities	(680,992)	(998,774)
Proceeds from settlement of derivatives	1,724	10,046
Proceeds from disposal/redemption of investment securities	771,042	766,532
Decrease/(increase) in pledged deposits for investing facilities	175,525	(18,756)
Restricted cash	(4,330)	1,464
<b>Net cash used in investing activities</b>	<u>(41,561)</u>	<u>(215,733)</u>
<b>Cash flows from financing activities</b>		
Dividend paid to equity holders of the Company	(85,148)	(31,930)
Interest paid	(43,313)	(48,650)
Net repayment of borrowings	(29,634)	(350,413)
<b>Net cash used in financing activities</b>	<u>(158,095)</u>	<u>(430,993)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(136,901)	473,872
Cash and cash equivalents at beginning of the period	338,687	138,369
Effects of exchange rate changes	(1,108)	(3,705)
	<u>337,579</u>	<u>134,664</u>
<b>Cash and cash equivalents at end of the period</b>	<u>200,678</u>	<u>608,536</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	631,625	1,233,286
Less:		
Pledged for bank facilities	(382,295)	(584,542)
Restricted cash	(48,652)	(40,208)
	<u>200,678</u>	<u>608,536</u>

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

## 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.

	<b>Effective for financial periods beginning on or after</b>
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.

## PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

### 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 were reclassified from property, plant and equipment 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.

## PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

### **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**

A final single-tier dividend of 1.60 sen per ordinary share in respect of the financial year ended 31 December 2018, amounted to RM85,147,571 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 period to date:

	<b>Investment holding and Others</b>	<b>Finance and related services</b>	<b>Property investment</b>	<b>Property development</b>	<b>Hotel operations</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>							
External revenue	37,802	-	64,727	35,657	439,867	-	578,053
Inter-segment revenue	22,947	-	19,755	-	13	(42,715)	-
<b>Total revenue</b>	<b>60,749</b>	<b>-</b>	<b>84,482</b>	<b>35,657</b>	<b>439,880</b>	<b>(42,715)</b>	<b>578,053</b>
<b>Results</b>							
Net segment results	81,769	(19)	20,002	16,151	77,460	-	195,363
Foreign exchange gain/(loss)	3,214	(496)	(14)	3	14,910	-	17,617
<b>Operating profit/(loss)</b>	<b>84,983</b>	<b>(515)</b>	<b>19,988</b>	<b>16,154</b>	<b>92,370</b>	<b>-</b>	<b>212,980</b>
Finance income	1,168	901	159	793	469	-	3,490
Finance costs	(13,545)	(33)	(9,680)	(3,355)	(16,700)	-	(43,313)
Share of results of associates, net of tax	-	-	162	-	-	-	162
Share of results of joint venture, net of tax	-	-	-	18	-	-	18
<b>Segment profit</b>	<b>72,606</b>	<b>353</b>	<b>10,629</b>	<b>13,610</b>	<b>76,139</b>	<b>-</b>	<b>173,337</b>
Unallocated corporate expenses							(11,858)
<b>Profit before tax</b>							<b>161,479</b>
Income tax							(24,349)
<b>Profit for the financial period</b>							<b>137,130</b>
<b>Profit attributable to:</b>							
Equity holders of the Company							137,130

**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 9 months ended 30 September <i>In RM'000</i>	Reportable segments										Consolidated	
	Investment holding		Property investment		Property development		Hotel operations		Others			
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Primary geographical markets</b>												
Malaysia	2,858	3,845	19,783	16,827	24,563	47,401	509	480	-	7	47,713	68,560
Australia	-	-	-	-	11,094	1,172,416	138,113	160,231	-	-	149,207	1,332,647
Canada	-	-	44,944	45,766	-	-	88,480	101,032	-	-	133,424	146,798
Singapore	-	-	-	-	-	-	122,836	126,848	-	-	122,836	126,848
China	-	-	-	-	-	-	24,754	29,360	-	-	24,754	29,360
Thailand	-	-	-	-	-	-	65,175	56,948	-	-	65,175	56,948
British Virgin Island	34,944	-	-	-	-	-	-	-	-	-	34,944	-
	<b>37,802</b>	3,845	<b>64,727</b>	62,593	<b>35,657</b>	1,219,817	<b>439,867</b>	474,899	-	7	<b>578,053</b>	1,761,161
<b>Major products/service lines</b>												
<b>Revenue from contracts with customers</b>												
Hotel room rental and related revenue	-	-	-	-	-	-	439,867	474,899	-	-	439,867	474,899
Management fees	2,859	3,305	477	1,248	-	-	-	-	-	-	3,336	4,553
Sales of properties	-	-	-	-	34,176	1,218,144	-	-	-	-	34,176	1,218,144
Sales of construction materials	-	-	-	-	-	-	-	-	-	7	-	7
Operator fee	-	540	-	-	-	-	-	-	-	-	-	540
Utility fees from tenants	-	-	1,020	-	-	-	-	-	-	-	1,020	-
Maintenance charges recoveries from tenants	-	-	22,093	18,029	-	-	-	-	-	-	22,093	18,029
	<b>2,859</b>	3,845	<b>23,590</b>	19,277	<b>34,176</b>	1,218,144	<b>439,867</b>	474,899	-	7	<b>500,492</b>	1,716,172
<b>Other revenue</b>												
Rental income	-	-	41,137	43,316	1,481	1,673	-	-	-	-	42,618	44,989
Interest income	33,162	-	-	-	-	-	-	-	-	-	33,162	-
Gross dividends	1,781	-	-	-	-	-	-	-	-	-	1,781	-
	<b>34,943</b>	-	<b>41,137</b>	43,316	<b>1,481</b>	1,673	-	-	-	-	<b>77,561</b>	44,989
<b>Total revenue</b>	<b>37,802</b>	3,845	<b>64,727</b>	62,593	<b>35,657</b>	1,219,817	<b>439,867</b>	474,899	-	7	<b>578,053</b>	1,761,161

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**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**

Disposal of TA Meriah Sdn. Bhd.

On 20 June 2019, TA Properties Sdn. Bhd., a 100% 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:

	<b>At date of disposal RM'000</b>
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 100% 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 THB2,250,000,000 (equivalent to approximately RM305,611,000), exclusive of any applicable tax. The acquisition was accounted for as a business combination in accordance with MFRS 3 *Business Combinations*.

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

<b>Identifiable assets acquired and liabilities assumed</b>	<b>Group RM'000</b>
Property, plant and equipment	311,662
Inventories	486
Trade and other receivables	3,372
Cash and bank balances	53
Trade and other payables	(3,201)
Total identifiable net assets	312,372

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A12 Changes in the Composition of the Group (cont'd)**

Acquisition of hotel and business of Four Points (cont'd)

<b>Net cash outflow arising from acquisition</b>	<b>Group RM'000</b>
Purchase consideration settled in cash	(317,398)
Cash and bank balances acquired	53
	<u>(317,345)</u>

<b>Goodwill</b>	<b>Group RM'000</b>
Total consideration transferred	317,398
Fair value of identifiable net assets	<u>(312,372)</u>
Goodwill	<u>5,026</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 finalization 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 THB52,021,000 (RM6,903,000 equivalent) of revenue and THB15,210,000 (RM2,018,000 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 RM607,102,000, and consolidated profit before tax for the financial period ended 30 September 2019 would have been RM170,467,000. 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 30 September 2019 were as follow:

	<b>RM'000</b>
Approved and contracted for:-	
- Property, plant and equipment	19,427
- Investment properties	<u>13,276</u>
	<u>32,703</u>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**B1 Performance Analysis of the Group's Operating Segments**

	<b>CURRENT YEAR QUARTER 30 SEP 2019 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 30 SEP 2018 RM'000</b>
Revenue	203,599	616,285
Other income		
- Realised fair value gain on investment securities	52,059	937
- Realised fair value gain on derivatives	14,206	247
- Unrealised fair value gain on derivatives	-	10,498
- Rental income	102	238
- Dividend income	-	141
- Gain on redemption of investment securities	358	10
- Others	11,115	10,291
	<b>77,840</b>	<b>22,362</b>
Other expenses		
- Amortisation and depreciation	(27,646)	(25,768)
- Cost of properties and construction materials sold	(12,753)	(343,089)
- Hotel operational and personnel cost	(112,565)	(113,140)
- Personnel cost and others	(20,401)	(27,468)
- Impairment loss on property, plant and equipment	-	(22,300)
- Net reversal of impairment on receivables	2	90
- Unrealised fair value loss on derivatives	(16,708)	-
- Unrealised fair value loss on investment securities	(56,570)	(14,535)
- Gain/(loss) on disposal of property, plant and equipment	17	(13)
- Net reversal of impairment on investment securities	47	-
- Foreign exchange (loss)/gain	(6,475)	718
	<b>(253,052)</b>	<b>(545,505)</b>
Finance income	863	29,624
Finance costs	(15,109)	(17,119)
Share of results in associates	-	(24)
Share of results in joint venture	-	128
Profit before tax	<b>14,141</b>	<b>105,751</b>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

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

The Group reported revenue of RM203.6 million and profit before tax of RM14.1 million for the current year's third quarter as compared to revenue of RM616.3 million and profit before tax of RM105.8 million reported in the previous year's corresponding quarter. Despite profit contribution from finance and related services, property investment and hotel operations divisions, the profit's decrease was mainly affected by lower contribution from property development and investment holding divisions.

For the current period-to-date, the Group reported revenue of RM578.1 million and profit before tax of RM161.5 million, as compared to revenue of RM1,761.1 million and profit before tax of RM443.7 million reported in the previous corresponding period. Although the profit was higher from investment holding and hotel operations divisions, the Group reported a decrease in profit arising from lower contribution from the property investment and property development divisions.

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

***Investment holding and others***

Investment holding and others division reported loss before tax of RM9.5 million in the current year's third quarter, as compared to profit before tax of RM3.9 million in the previous year's corresponding quarter.

Although the division reported net foreign exchange loss on translation of EUR and SGD denominated balances, the current year's third quarter results was mitigated by higher interest income from investment securities.

For the current period-to-date, this division reported profit before tax of RM60.7 million, as compared to loss before tax of RM46.8 million in the preceding year's period-to-date.

Profit before tax for the current period-to-date mainly attributable to realised fair value gain on investment securities and derivative, net foreign exchange gain resulting from translation of CAD denominated balances and interest income from investment securities.

***Finance and related services***

For the current year's third quarter, finance and related services division reported profit before tax of RM0.6 million as compared to profit before tax of RM9.2 million in the previous year's corresponding quarter. This was mainly due to lower interest income.

For the current period-to-date, this division reported profit before tax of RM0.4 million, as compared to loss before tax of RM17.9 million in the preceding year's period-to-date was mainly due to lower foreign exchange loss resulting from translation of CAD denominated balances.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

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

***Property investment***

Property investment division reported a profit before tax of RM4.1 million in the current year's third quarter, as compared to profit before tax of RM1.8 million in the previous year's corresponding quarter.

For the current period-to-date, this division reported profit before tax of RM10.6 million, as compared to profit before tax of RM8.8 million in the preceding year's period-to-date.

The increase in the current quarter and period-to-date in profit before tax was mainly due to higher net rental income and lower finance cost.

***Property development***

Property development division reported a loss before tax of RM0.7 million in the current year's third quarter, as compared to profit before tax of RM95.3 million in previous year's corresponding quarter.

Loss before tax in the current year's third quarter was mainly due to lower sales recognition from development projects in Australia.

For the current period-to-date, this division reported profit before tax of RM13.6 million, as compared to profit before tax of RM446.5 million in the preceding year's period-to-date.

The division's decline in profit before tax was mainly attributable to the lower sales recognition from development projects in Australia, and the one-off profit recorded in the same period of prior year on disposal of two development properties.

***Hotel operations***

Hotel operations division registered net operating profit (excluding foreign exchange gain) of RM17.4 million in the current year's third quarter, as compared to RM0.8 million in the previous year's corresponding quarter.

For the current period-to-date, this division reported net operating profit (excluding foreign exchange gain) of RM61.2 million, as compared to net operating profit of RM49.0 million in the preceding year's period to date.

The increase in the current quarter and period-to-date's net operating profit was mainly due to the absence of impairment loss on hotel property recorded in prior year's corresponding period.

Despite the overall decline in revenue in most of the hotels under the Group's portfolio, profit before tax of the current year has increased due to higher foreign exchange gain resulting from translation of THB denominated balances against USD.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

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

The Group reported profit before tax of RM14.1 million in the current year's third quarter as compared to profit before tax of RM21.2 million in the preceding quarter.

Despite the increase in realised fair value gain on investment securities and derivatives, lower profit before tax in the current year's third quarter was mainly attributable to unrealised fair value loss on investment securities and derivatives, and foreign exchange loss.

**B3 Prospects for the current financial year**

The Group's performance so far in 2019 has been affected by various external factors like the trade war that goes unabated between major trading nations, strong USD, faltering China's economy, impending Brexit and fear over a global recession. Many of these concerns remain and will continue to exert their influence on the global economy and the Group's financial performance.

The prospects for each business division are summarised below: -

***Finance and related services***

The financial and related services shall remain as part of the business strategy for the Group to support the property development and property investment divisions for the financial year 2019. The Group will continue to explore investment opportunities to maximise income and strengthen its financial position for future property development and property investment activities.

***Property investment***

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

***Property development***

For the financial year 2019 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. The Group will be launching property sale of certain strategically connected and located property development projects within the Klang Valley to ride on the next phase of the property cycle in Malaysia. Strategic adjustment on products, pricing and innovative sales strategies will be adopted and we anticipate to achieve moderate sales from these property launches.



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

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

*Hotel operations*

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

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

**B4 Variance between Actual Profit and Forecast Profit**

Not applicable.

**B5 Taxation**

Taxation for the current financial period is as follows:

	<b>CURRENT QUARTER</b>	<b>YEAR TO DATE</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Current tax expense</b>		
Malaysian - current year	2,093	5,664
- prior year	1,568	3,324
Foreign - current year	5,382	14,963
- prior year	(39)	4,351
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	(1,252)	(3,953)
	<u>7,752</u>	<u>24,349</u>

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 effective tax rate of the Group for the current quarter was higher than the Malaysian statutory tax rate mainly due to certain expenses not allowable for tax purposes.

The effective tax rate of the Group for the year to date was lower than the Malaysian statutory tax rate mainly due to reversal of deferred tax and certain income not subject to tax.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

## B6 Corporate Proposals

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

## B7 Group Borrowings and Debt Securities

Total Group borrowings as at 30 September 2019 were as follows:-

	<b>SECURED</b>	<b>UNSECURED</b>	<b>TOTAL</b>
<u>Long term borrowings</u>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Term loans	606,706	-	606,706
Revolving credits	64,000	-	64,000
Bridging loans	8,424	-	8,424
	<u>679,130</u>	<u>-</u>	<u>679,130</u>
<u>Short term borrowings</u>			
Revolving credits	31,500	77,200	108,700
Other short-term loans	894,833	-	894,833
	<u>926,333</u>	<u>77,200</u>	<u>1,003,533</u>
Total borrowings	<u>1,605,463</u>	<u>77,200</u>	<u>1,682,663</u>

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

	<b>Long term</b>	<b>Short term</b>	<b>Total</b>
	<b>borrowings</b>	<b>borrowings</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	
Ringgit Malaysia ("RM")	108,424	124,700	233,124
Canadian Dollar ("CAD")	274,636	196,211	470,847
Singapore Dollar ("SGD")	296,070	8,073	304,143
United States Dollar ("USD")	-	610,536	610,536
Euro ("EUR")	-	49,335	49,335
British Pound ("GBP")	-	14,678	14,678
Total borrowings	<u>679,130</u>	<u>1,003,533</u>	<u>1,682,663</u>

**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 September 2019 <i>In RM'000</i>	Carrying amount						Fair value			
	Mandatorily at FVTPL	FVOCI - equity instrument	FVOCI - debt instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>										
Investment in quoted shares	101,268	-	-	-	-	101,268	101,268	-	-	101,268
Investment in unquoted bonds	19,852	-	114,154	-	-	134,006	-	134,006	-	134,006
Investment in quoted unit trusts	1,906	-	-	-	-	1,906	-	1,906	-	1,906
Investment in unquoted securities	155,022	-	-	-	-	155,022	-	-	155,022	155,022
Derivatives	961	-	-	-	-	961	-	961	-	961
	<b>279,009</b>	-	<b>114,154</b>	-	-	<b>393,163</b>	<b>101,268</b>	<b>136,873</b>	<b>155,022</b>	<b>393,163</b>
<b>Financial assets not measured at fair value</b>										
Financial receivables	-	-	-	20	-	20	-	-	-	-
Trade receivables and other receivables *	-	-	-	21,829	-	21,829	-	-	-	-
Cash and cash equivalents	-	-	-	631,625	-	631,625	-	-	-	-
	-	-	-	<b>653,474</b>	-	<b>653,474</b>	-	-	-	-
<b>Financial liabilities measured at fair value</b>										
Derivatives	4,109	-	-	-	-	4,109	-	4,109	-	4,109
	<b>4,109</b>	-	-	-	-	<b>4,109</b>	-	<b>4,109</b>	-	<b>4,109</b>
<b>Financial liabilities not measured at fair value</b>										
Trade payables and other payables *	-	-	-	-	272,150	272,150	-	-	-	-
Borrowings - non-current	-	-	-	-	679,130	679,130	-	-	679,187	679,187
Borrowings - current	-	-	-	-	1,003,533	1,003,533	-	-	-	-
	-	-	-	-	<b>1,954,813</b>	<b>1,954,813</b>	-	-	<b>679,187</b>	<b>679,187</b>

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

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B8 Financial Instruments (continued)**

**(i) Accounting classifications (continued)**

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 2018 <i>In RM'000</i>	Carrying amount					Fair value				
	Mandatorily at FVTPL	FVOCI - equity instrument	FVOCI - debt instrument	Financial assets at amortised cost	Financial liabilities at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>										
Investment in quoted shares	137,002	-	-	-	-	137,002	137,002	-	-	137,002
Investment in unquoted bonds	19,711	-	140,019	-	-	159,730	-	159,730	-	159,730
Investment in quoted unit trusts	22,329	-	-	-	-	22,329	-	22,329	-	22,329
Investment in unquoted securities	138,908	-	-	-	-	138,908	-	-	138,908	138,908
	317,950	-	140,019	-	-	457,969	137,002	182,059	138,908	457,969
<b>Financial assets not measured at fair value</b>										
Financial receivables	-	-	-	32	-	32	-	-	-	-
Trade receivables and other receivables *	-	-	-	76,410	-	76,410	-	-	-	-
Cash and cash equivalents	-	-	-	940,829	-	940,829	-	-	-	-
	-	-	-	1,017,271	-	1,017,271	-	-	-	-
<b>Financial liabilities measured at fair value</b>										
Derivatives	28,964	-	-	-	-	28,964	-	28,964	-	28,964
	28,964	-	-	-	-	28,964	-	28,964	-	28,964
<b>Financial liabilities not measured at fair value</b>										
Trade payables and other payables *	-	-	-	-	251,874	251,874	-	-	-	-
Borrowings - non-current	-	-	-	-	688,071	688,071	-	-	688,094	688,094
Borrowings - current	-	-	-	-	999,879	999,879	-	-	-	-
	-	-	-	-	1,939,824	1,939,824	-	-	688,094	688,094

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

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**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 September 2019 and 30 September 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 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 and 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 30 September 2019.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**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 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>	<b>Unquoted securities</b>
Balance at 1 January 2018	239,094
Purchases	792,491
Disposal	(552,335)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(27,888)
- Realised	(5,351)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	12,726
<b>Balance at 30 September 2018</b>	<b>458,737</b>
Balance at 1 January 2019	138,908
Purchases	490,926
Disposal	(558,222)
Fair value gains and losses recognised in profit or loss	
- Unrealised	(7,372)
- Realised	89,218
Foreign exchange loss recognised in profit or loss	
- Realised	(428)
Gains and losses recognised in other comprehensive income	
- Exchange translation reserve	1,992
<b>Balance at 30 September 2019</b>	<b>155,022</b>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**B8 Financial Instruments (continued)**

**(ii) Fair values (continued)**

**(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 13 November 2019, there were no changes in material litigation since the last financial year ended 31 December 2018.

**B10 Dividend**

No dividend is declared as at the date of this announcement other than as stated in Note A8 on dividend paid.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**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 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.

<b>Types of derivatives/Maturity</b>	<b>Contract/Notional value RM'000</b>	<b>Fair value asset RM'000</b>	<b>Fair value liability RM'000</b>
Geared Equity Accumulators -Less than 1 year	20,387	321	-
Forward Exchange Contracts -Less than 1 year	3,467	640	(4,109)

**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.



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF  
BURSA MALAYSIA**

**B13 Earnings per share attributable to owners of the Company**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30 SEP 2019	PRECEDING YEAR CORRESPONDING QUARTER 30 SEP 2018	CURRENT YEAR TO DATE 30 SEP 2019	PRECEDING YEAR TO DATE 30 SEP 2018
<b>Basic earnings per share</b>				
Profit for the period - attributable to owners of the Company (RM'000)	6,389	66,407	137,130	304,652
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)	0.12	1.25	2.58	5.72

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  
20 November 2019