

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

	<b>AS AT 30-JUNE-2020 (Unaudited) RM'000</b>	<b>AS AT 31-DEC-2019 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,024,310	2,037,690
Right-of-use assets	349,881	351,579
Investment properties	576,116	580,080
Inventories	637,123	634,323
Intangible assets	333,996	328,879
Investments in associates	15,478	15,589
Investments in joint ventures	117,315	117,599
Investments in securities	61,146	83,421
Receivables	11,913	10,139
Deferred tax assets	12,686	11,941
	<u>4,139,964</u>	<u>4,171,240</u>
<b>Current assets</b>		
Contract assets	41,210	42,381
Contract costs	11,549	9,866
Investments in securities	475,006	173,510
Inventories	117,525	115,328
Receivables	67,481	57,701
Derivatives	47	-
Tax recoverable	14,005	13,778
Other investment	-	47,936
Cash and bank balances	773,979	815,691
	<u>1,500,802</u>	<u>1,276,191</u>
<b>TOTAL ASSETS</b>	<b><u>5,640,766</u></b>	<b><u>5,447,431</u></b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	2,660,862	2,660,862
Reserves	334,279	474,917
<b>Total equity attributable to owners of the Company</b>	<u>2,995,141</u>	<u>3,135,779</u>
Non-controlling interests	50,000	50,000
<b>Total Equity</b>	<u>3,045,141</u>	<u>3,185,779</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	201,179	204,041
Borrowings	525,833	540,923
Lease liabilities	125	540
Provisions	2,640	5,699
	<u>729,777</u>	<u>751,203</u>
<b>Current liabilities</b>		
Borrowings	1,525,420	1,152,294
Lease liabilities	912	956
Payables	291,659	309,200
Provisions	13,434	12,233
Contract liabilities	25,954	28,310
Income tax payable	7,422	6,205
Derivatives	1,047	1,251
	<u>1,865,848</u>	<u>1,510,449</u>
<b>Total liabilities</b>	<u>2,595,625</u>	<u>2,261,652</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>5,640,766</u></b>	<b><u>5,447,431</u></b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.56</u>	<u>0.59</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 2019 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**
*(The figures have not been audited)*

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUNE-2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUNE-2019 RM'000	CURRENT YEAR TO DATE 30-JUNE-2020 RM'000	PRECEDING YEAR TO DATE 30-JUNE-2019 RM'000
<b>Revenue</b>	51,165	164,748	208,488	350,945
Other income	14,017	33,786	19,097	45,486
Net (loss)/gain from investments in securities	(60,312)	(17,132)	(119,696)	71,003
Other expenses	8,250	(149,113)	(265,129)	(298,942)
<b>Operating profit/(loss)</b>	<u>13,120</u>	<u>32,289</u>	<u>(157,240)</u>	<u>168,492</u>
Finance income	1,017	3,399	3,119	6,870
Finance costs	(12,543)	(14,378)	(27,167)	(28,204)
Share of results in associates, net of tax	(111)	(115)	(112)	162
Share of results in joint ventures, net of tax	-	6	10	18
<b>Profit/(Loss) before tax</b>	<u>1,483</u>	<u>21,201</u>	<u>(181,390)</u>	<u>147,338</u>
Income tax	(6,729)	(12,174)	(9,806)	(16,597)
<b>(Loss)/Profit for the financial period</b>	<u>(5,246)</u>	<u>9,027</u>	<u>(191,196)</u>	<u>130,741</u>
<b>(Loss)/Profit attributable to:</b>				
Owners of the Company	<u>(5,246)</u>	<u>9,027</u>	<u>(191,196)</u>	<u>130,741</u>
<b>Earnings per share attributable to owners of the Company</b>				
Basic (sen)	(0.10)	0.17	(3.59)	2.46
Fully diluted (sen)	(0.10)	0.17	(3.59)	2.46

*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 2019 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 JUNE 2020**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-JUNE-2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-JUNE-2019 RM'000	CURRENT YEAR TO DATE 30-JUNE-2020 RM'000	PRECEDING YEAR TO DATE 30-JUNE-2019 RM'000
(Loss)/Profit for the financial period	(5,246)	9,027	(191,196)	130,741
<b>Other comprehensive income/(loss), net of tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Net gain/(loss) on foreign currency translation differences	60,191	6,986	52,999	(3,070)
Debts investments measured at FVOCI				
- Net fair value gain/(loss)	1,154	16,812	(3,060)	13,041
- Reclassification to profit or loss	167	154	619	452
Other comprehensive income for the financial period, net of tax	61,512	23,952	50,558	10,423
<b>Total comprehensive income/(loss) for the financial period</b>	<b>56,266</b>	<b>32,979</b>	<b>(140,638)</b>	<b>141,164</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company	56,266	32,979	(140,638)	141,164

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 2019 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

	-----Attributable to owners of the Company-----						Total	Non-controlling interests	Total equity
	-----Non-distributable-----			Distributable					
	Share capital	Merger deficit	Fair value reserve	Exchange translation reserve	Capital reserve	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<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	-	-	-	-	-	130,741	130,741	-	130,741
- Other comprehensive income/(loss)	-	-	13,493	(3,070)	-	-	10,423	-	10,423
	-	-	13,493	(3,070)	-	130,741	141,164	-	141,164
<b>At 30 June 2019 (unaudited)</b>	<u>2,660,862</u>	<u>(926,077)</u>	<u>3,660</u>	<u>325,975</u>	<u>220</u>	<u>1,179,365</u>	<u>3,244,005</u>	<u>50,000</u>	<u>3,294,005</u>
<b>At 1 January 2020</b>	2,660,862	(926,077)	1,728	311,898	27,620	1,059,748	3,135,779	50,000	3,185,779
<b>Total comprehensive income for the financial period</b>									
- Loss for the financial period	-	-	-	-	-	(191,196)	(191,196)	-	(191,196)
- Other comprehensive (loss)/income	-	-	(2,441)	52,999	-	-	50,558	-	50,558
	-	-	(2,441)	52,999	-	(191,196)	(140,638)	-	(140,638)
<b>At 30 June 2020 (unaudited)</b>	<u>2,660,862</u>	<u>(926,077)</u>	<u>(713)</u>	<u>364,897</u>	<u>27,620</u>	<u>868,552</u>	<u>2,995,141</u>	<u>50,000</u>	<u>3,045,141</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 2019 and the accompanying notes to the quarterly report attached hereto.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

(The figures have not been audited)

	6 months ended	
	30 JUNE-2020	30-JUNE-2019
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Cash generated from operations	13,439	82,762
Interest received	3,023	4,475
Taxes paid	(12,423)	(104,328)
<b>Net cash generated from/(used in) operating activities</b>	<u>4,039</u>	<u>(17,091)</u>
<b>Cash flows from investing activities</b>		
Interest received, net	17,286	20,038
Disposal of subsidiary, net of cash disposed	-	11,488
Dividend received	768	1,258
Purchase of property, plant and equipment	(3,459)	(4,562)
Purchase of intangible assets	(1)	(94)
Proceeds from disposal of property, plant and equipment	375	106
Proceeds from redemption of other investment	47,936	-
Purchase of investment properties	(3,452)	(771)
Purchase of investment securities	(1,263,270)	(293,471)
Net settlement/ proceeds from derivatives	7,485	1,039
Proceeds from disposal of investment securities	821,692	323,030
Proceeds from redemption of bonds	28,191	16,470
Increase in pledged deposits for investing facilities	(12,765)	(7,779)
Decrease/(increase) in restricted cash	4,537	(5,364)
<b>Net cash (used in)/ generated from investing activities</b>	<u>(354,677)</u>	<u>61,388</u>
<b>Cash flows from financing activities</b>		
Interest paid	(27,167)	(28,204)
Net drawdown/(repayment) of borrowings	324,616	(93,973)
Payment of lease liabilities	(522)	-
<b>Net cash generated from/(used in) financing activities</b>	<u>296,927</u>	<u>(122,177)</u>
<b>Net decrease in cash and cash equivalents</b>	(53,711)	(77,880)
Cash and cash equivalents at beginning of the period	241,831	345,514
Effects of exchange rate changes	3,771	1,294
	<u>245,602</u>	<u>346,808</u>
<b>Cash and cash equivalents at end of the period</b>	<u><u>191,891</u></u>	<u><u>268,928</u></u>
Cash and cash equivalents comprise of:		
Cash and bank balances	773,979	877,386
Less:		
Pledged for bank facilities	(534,096)	(558,772)
Restricted cash	(47,992)	(49,686)
	<u><u>191,891</u></u>	<u><u>268,928</u></u>

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

### **A1 Basis of Preparation**

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

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2019.

### **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 2019, except for the adoption of the following Amendments to MFRSs.

	<b>Effective for financial periods beginning on or after</b>
Amendments to MFRS 3 <i>Business Combinations – Definition of a Business</i>	1 January 2020
Amendments to MFRS 7 <i>Financial Instruments: Disclosures – Interest Rate Benchmark Reform</i> , MFRS 9 <i>Financial Instruments</i> , and MFRS 139 <i>Financial Instruments: Recognition and Measurement</i>	1 January 2020
Amendments to MFRS 101 <i>Presentation of Financial Statements</i> and MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material</i>	1 January 2020

The adoption of the above pronouncements has no significant impact to the financial statements of the Group in the period of initial application.

## 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 economy.

### **A5 Unusual Items Affecting the Financial Statements**

The World Health Organization (WHO) declared Coronavirus (e.g. COVID-19) a 'Pandemic' on 11 March 2020 and on 16 March 2020 the Prime Minister of Malaysia has issued an order for the restriction of movements pursuant to the Prevention and Control of Disease Act 1988 (PCDA).

As the coronavirus pandemic continues to cause travel restrictions, certain hotels of the Group has been temporarily closed due to low occupancy while certain hotels remained open at reduced operations to accommodate the stranded and those requiring government mandated self-isolation.

The worldwide financial markets have reported sharp declines and volatilities have spiked. The Group held a significant amount of investments in securities of which their fair values have deteriorated significantly.

As such, the performance of each business segment, mainly the hotel operations and investment holding segment, were severely affected.

### **A6 Changes in Accounting Estimates**

There were no changes in estimates that have had a material effect in the current financial period's results.

### **A7 Debt and Equity Securities**

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

### **A8 Dividends Paid**

No dividend was paid during the current financial quarter.

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

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

	Investment holding and Others RM'000	Finance and related services RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>							
External revenue	2,190	-	33,223	25,113	147,962	-	208,488
Inter-segment revenue	55,772	-	1,344	-	-	(57,116)	-
<b>Total revenue</b>	<b>57,962</b>	<b>-</b>	<b>34,567</b>	<b>25,113</b>	<b>147,962</b>	<b>(57,116)</b>	<b>208,488</b>
<b>Results</b>							
Net segment results	(138,276)	(198)	16,072	3,373	(1,559)	-	(120,588)
Foreign exchange (loss)/gain	(15,901)	6	2	5	(14,469)	-	(30,357)
<b>Operating (loss)/profit</b>	<b>(154,177)</b>	<b>(192)</b>	<b>16,074</b>	<b>3,378</b>	<b>(16,028)</b>	<b>-</b>	<b>(150,945)</b>
Finance income	2,282	226	227	131	253	-	3,119
Finance costs	(6,344)	-	(5,644)	(2,159)	(13,020)	-	(27,167)
Share of results of an associate, net of tax	-	-	(112)	-	-	-	(112)
Share of results of joint venture, net of tax	-	-	-	10	-	-	10
<b>Segment (loss)/profit</b>	<b>(158,239)</b>	<b>34</b>	<b>10,545</b>	<b>1,360</b>	<b>(28,795)</b>	<b>-</b>	<b>(175,095)</b>
Unallocated corporate expenses							(6,295)
<b>Loss before tax</b>							<b>(181,390)</b>
Income tax							(9,806)
<b>Loss for the financial period</b>							<b>(191,196)</b>
<b>Loss attributable to:</b>							
Equity holders of the Company							(191,196)



**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 6 months ended 30 June <i>In RM'000</i>	Reportable segments									
	Investment holding and Others		Property investment		Property development		Hotel operations		Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Primary geographical markets</b>										
Malaysia	2,190	1,906	12,064	12,322	25,113	13,334	93	354	39,460	27,916
Australia	-	-	-	-	-	5,614	51,554	93,966	51,554	99,580
Canada	-	-	21,159	29,003	-	-	22,144	54,840	43,303	83,843
Singapore	-	-	-	-	-	-	39,512	79,875	39,512	79,875
China	-	-	-	-	-	-	6,087	16,459	6,087	16,459
Thailand	-	-	-	-	-	-	28,572	43,272	28,572	43,272
	<b>2,190</b>	<b>1,906</b>	<b>33,223</b>	<b>41,325</b>	<b>25,113</b>	<b>18,948</b>	<b>147,962</b>	<b>288,766</b>	<b>208,488</b>	<b>350,945</b>
<b>Major products/service lines</b>										
<b>Revenue from contracts with customers</b>										
Hotel room rental and related revenue	-	-	-	-	-	-	115,541	218,428	115,541	218,428
Sales of food and beverage	-	-	-	-	-	-	32,421	70,338	32,421	70,338
Management fees	2,190	1,906	8	318	-	-	-	-	2,198	2,224
Sales of properties	-	-	-	-	24,120	17,880	-	-	24,120	17,880
Utility fees from tenants	-	-	446	-	-	-	-	-	446	-
Maintenance charges recoveries from tenants	-	-	5,210	14,258	-	-	-	-	5,210	14,258
	<b>2,190</b>	<b>1,906</b>	<b>5,664</b>	<b>14,576</b>	<b>24,120</b>	<b>17,880</b>	<b>147,962</b>	<b>288,766</b>	<b>179,936</b>	<b>323,128</b>
<b>Other revenue</b>										
Rental income	-	-	27,559	26,749	993	1,068	-	-	28,552	27,817
	-	-	27,559	26,749	993	1,068	-	-	28,552	27,817
<b>Total revenue</b>	<b>2,190</b>	<b>1,906</b>	<b>33,223</b>	<b>41,325</b>	<b>25,113</b>	<b>18,948</b>	<b>147,962</b>	<b>288,766</b>	<b>208,488</b>	<b>350,945</b>

### **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 other changes in the composition of the Group during the current financial period, except as disclosed below:-

#### Voluntary liquidation of TA Antarabangsa Development Limited

On 27 May 2020, TA Antarabangsa Development Limited, a wholly-owned subsidiary of the Group, was placed under voluntary liquidation pursuant to the BVI Business Companies Act, 2004.

On 16 June 2020, the liquidation process was completed and TA Antarabangsa Development Limited has been effectively dissolved.

The liquidation of the above subsidiary does not have significant financial and operation effect to the Group, other than the loss upon liquidation amounting to RM5.98 million 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 2019.

### **A14 Commitments**

The amount of capital commitments not provided for as at 30 June 2020 were as follow:

	<b>RM'000</b>
Approved and contracted for:-	
- Property, plant and equipment	15,340
- Investment properties	21,845
	<u>37,185</u>

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

**A15 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 June 2020 <i>In RM'000</i>	Carrying amount					Fair value			
	Mandatorily at FVTPL	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	190,192	-	-	-	190,192	190,192	-	-	190,192
Investment in unquoted bonds	19,514	74,213	-	-	93,727	-	93,727	-	93,727
Investment in quoted unit trusts	1,768	-	-	-	1,768	-	1,768	-	1,768
Investment in unquoted securities	250,465	-	-	-	250,465	-	250,465	-	250,465
Derivatives	47	-	-	-	47	-	47	-	47
	<b>461,986</b>	<b>74,213</b>	-	-	<b>536,199</b>	<b>190,192</b>	<b>346,007</b>	-	<b>536,199</b>
<b>Financial assets not measured at fair value</b>									
Financial receivables	-	-	8	-	8	-	-	-	-
Trade receivables and other receivables **	-	-	53,487	-	53,487	-	-	-	-
Cash and bank balances	-	-	773,979	-	773,979	-	-	-	-
	-	-	<b>827,474</b>	-	<b>827,474</b>	-	-	-	-
<b>Financial liabilities measured at fair value</b>									
Derivatives	1,047	-	-	-	1,047	-	1,047	-	1,047
	<b>1,047</b>	-	-	-	<b>1,047</b>	-	<b>1,047</b>	-	<b>1,047</b>
<b>Financial liabilities not measured at fair value</b>									
Trade payables and other payables **	-	-	-	285,391	285,391	-	-	-	-
Lease liabilities	-	-	-	1,037	1,037	-	-	-	-
Borrowings - non-current	-	-	-	525,833	525,833	-	-	528,879	528,879
Borrowings - current	-	-	-	1,525,420	1,525,420	-	-	-	-
	-	-	-	<b>2,337,681</b>	<b>2,337,681</b>	-	-	<b>528,879</b>	<b>528,879</b>

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

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

**A15 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. (continued)

31 December 2019 <i>In RM'000</i>	Carrying amount					Fair value			
	Mandatorily at FVTPL	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	60,578	-	-	-	60,578	60,578	-	-	60,578
Investment in unquoted bonds	19,179	97,748	-	-	116,927	-	116,927	-	116,927
Investment in quoted unit trusts	23,230	-	-	-	23,230	-	23,230	-	23,230
Investment in unquoted securities	56,196	-	-	-	56,196	-	56,196	-	56,196
	<b>159,183</b>	<b>97,748</b>	-	-	<b>256,931</b>	<b>60,578</b>	<b>196,353</b>	-	<b>256,931</b>
<b>Financial assets not measured at fair value</b>									
Financial receivables	-	-	15	-	15	-	-	-	-
Trade receivables and other receivables *	-	-	51,466	-	51,466	-	-	-	-
Cash and bank balances	-	-	815,691	-	815,691	-	-	-	-
Other investment	-	-	47,936	-	47,936	-	-	-	-
	-	-	<b>915,108</b>	-	<b>915,108</b>	-	-	-	-
<b>Financial liabilities measured at fair value</b>									
Derivatives	1,251	-	-	-	1,251	-	1,251	-	1,251
	<b>1,251</b>	-	-	-	<b>1,251</b>	-	<b>1,251</b>	-	<b>1,251</b>
<b>Financial liabilities not measured at fair value</b>									
Trade payables and other payables *	-	-	-	294,101	294,101	-	-	-	-
Lease liabilities	-	-	-	1,496	1,496	-	-	-	-
Borrowings - non-current	-	-	-	540,923	540,923	-	-	544,033	544,033
Borrowings - current	-	-	-	1,152,294	1,152,294	-	-	-	-
	-	-	-	<b>1,988,814</b>	<b>1,988,814</b>	-	-	<b>544,033</b>	<b>544,033</b>

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

**A15 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 2020 and 31 December 2019.

**(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 June 2020.

**A15 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.

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

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

	CURRENT YEAR QUARTER 30 JUNE 2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 JUNE 2019 RM'000
Revenue	51,165	164,748
Other income	14,017	33,786
- Gain on disposal of a subsidiary	-	7,578
- Reversal of impairment loss on receivables	-	344
- Others	14,017	25,864
Net loss from investments in securities		
- Net fair value loss	(72,771)	(30,739)
- Interest income	11,360	12,245
- Gross dividend income	768	1,577
- Net gain/(loss) from disposal/redemption	331	(215)
	(60,312)	(17,132)
Other expenses		
- Amortisation and depreciation	(24,691)	(25,951)
- Property development expenditure recognised as expense	(5,878)	(8,491)
- Hotel operational and personnel cost	(33,202)	(94,796)
- Cost of inventories	(5,455)	(10,173)
- Personnel cost and others	(9,101)	(21,305)
- Net impairment loss on investment securities	-	(167)
- Net reversal of impairment on financial assets	158	-
- Loss on disposal of property, plant and equipment	-	(29)
- Loss on liquidation of subsidiary	(5,978)	-
- Foreign exchange gain	92,397	11,799
	8,250	(149,113)
Finance income	1,017	3,399
Finance costs	(12,543)	(14,378)
Share of results in associates	(111)	(115)
Share of results in joint venture	-	6
Profit before tax	1,483	21,201

**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 RM51.2 million and profit before tax of RM1.5 million for the current year's second quarter as compared to revenue of RM164.7 million and profit before tax of RM21.2 million reported in the previous year's corresponding quarter.

Profit for the quarter was mainly attributed from the reversal of foreign exchange losses suffered in the previous quarter. The improvement was offsetted by further fair value losses in investment securities and an increase in losses from hotel operations division due to closure of several hotels during the quarter.

For current period-to-date, the Group reported revenue of RM208.5 million and loss before tax of RM181.4 million, as compared to revenue of RM350.9 million and profit before tax of RM147.3 million reported in the previous corresponding year.

The loss before tax for the current financial period was mainly due to lower contribution from investment holding and hotel operations division.

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

***Investment holding and others***

Investment holding and others division reported segment profit before tax of RM6.7 million in the current year's second quarter, as compared to segment loss before tax of RM13.0 million in the previous year's corresponding quarter.

Operating loss (excluding foreign exchange gain) before tax for the current quarter amounted to RM50.5 million whereas for previous year's corresponding quarter, operating loss (excluding foreign exchange gain) before tax amounted to RM12.0 million. The significant losses during the current quarter were mainly due to realised fair value loss on investment securities.

The losses were offsetted by foreign exchange gain of RM59.1 million for the current quarter mainly resulting from reversal of foreign exchange losses arising from translation of AUD and CAD denominated balances in the previous quarter.

For the current period-to-date, this division reported segment loss of RM158.2 million, as compared to segment profit of RM78.9 million in the preceding period, mainly due to losses in investment securities amounting to RM127.1 million, forex losses amounting to RM15.9 million and loss upon liquidation of a subsidiary amounting to RM5.9 million.

***Finance and related services***

For the current year's second quarter, finance and related services division reported segment loss before tax of RM0.4 million as compared to segment loss before tax of RM0.3 million in the previous year's corresponding quarter. This was mainly due to reversal of foreign exchange gain resulting from translation of CAD denominated balances in the previous quarter.

For the current period-to-date, this division reported segment profit of RM0.03 million, as compared to segment loss of RM0.3 million in the preceding period.



**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 segment profit before tax of RM5.3 million in the current year's second quarter, as compared to segment profit before tax of RM3.5 million in the previous year's corresponding quarter.

The increase in the current quarter in operating profit before tax was mainly due to higher net rental income contributed from the Canada property and lower finance cost as compared to previous year's corresponding quarter.

For the current period-to-date, this division reported segment profit of RM10.5 million, as compared to segment profit of RM6.5 million in the preceding period. The increase was mainly due to higher rental income contributed from the Canada property.

***Property development***

Property development division reported segment profit before tax of RM0.3 million in the current year's second quarter, as compared to segment profit before tax of RM12.4 million in previous year's corresponding quarter.

Profit before tax in the current year's second quarter was mainly due to profit recognition from the Alix Residences project in North Kiara and Damansara Avenue project in Bandar Sri Damansara. Higher operating profit before tax was reported in the previous year's corresponding quarter due to profit recognition from the Australia project and income from refund of stamp duty in relation to prior year disposal of properties in Australia.

For the current period-to-date, this division reported segment profit of RM1.4 million, as compared to segment profit of RM14.3 million in the preceding period.

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

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

*Hotel operations*

Hotel operations division registered segment loss (excluding foreign exchange gain) before tax of RM41.2 million in the current year's second quarter, as compared to segment profit (excluding foreign exchange gain) before tax of RM12.9 million in the previous year's corresponding quarter.

Due to COVID-19, most business operations of the hotels within the Group were temporarily closed. This resulted in zero occupancy for most hotels during the quarter, thus significantly impacting hotel revenue. The adverse impact on hotel revenue is partially mitigated by adopting tight cost-control measures and also applying for government assistance (e.g. wage subsidies).

Foreign exchange gain was recorded in the current year's second quarter due to reversal of foreign exchange losses arising from translation of THB denominated balances against USD in the current year's first quarter.

For the current period-to-date, this division reporting segment loss of RM28.8 million, as compared to segment profit of RM56.6 million in the preceding period. This was mainly due to the significant decline in occupancy rates as a result of temporary hotel closures due to COVID-19. Furthermore, there was a foreign exchange gain of RM12.7 million in the preceding period mainly due to translation of THB denominated balances against USD.

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

The Group reported profit before tax of RM1.5 million in the current year's quarter as compared to loss before tax of RM182.9 million in the preceding quarter.

Higher loss before tax in the preceding quarter was mainly attributable to significant losses in the investment holding division due to unrealised fair value losses on investment securities and foreign exchange losses.

For the current quarter, higher fair value losses on investment securities and operating losses for the hotel operations division due to business closure were offsetted by the reversal in foreign exchange losses recorded in the preceding quarter mainly arising from CAD, AUD and THB denominated balances.

### **B3 Prospects for the current financial year**

The COVID-19 has clouded the near-term outlook for the global economy, pushing multi-lateral agencies including the International Monetary Fund, the World Bank and the OECD to lower their respective GDP projections. Although the scale of the setback is highly uncertain, an escalation in the COVID-19 outbreak could cut global economic growth in half and plunge several countries into recession this year with China remaining the focal point of the economic damage. Against a backdrop of already weak GDP growth, the economies of Japan and the euro-zone could slide into recession this year, while failure in the UK's post-Brexit trade talks with the EU also represented a significant downside risk. Synchronized global cooperation is needed to cope with the crisis. Central banks world-wide are signaling a new effort to cushion the impact of COVID-19 on the global economy. The challenge for central bankers is that they are running low on firepower after a slew of stimulus measures were unleashed in recent years to protect economies from trade wars, geopolitical tensions and the impact of low inflation. With its international business stretching from Australia to Asia and Canada, the Group as a whole is not spared from these anticipated weak GDP growth and economic challenges. As the Group's revenue is mainly derived from property and hospitality sectors spanning across 6 countries, Malaysia, Australia, Singapore, China, Thailand and Canada, the general economic outlook of these countries, the global economic trend and the impact of COVID-19 on various business industries will charter the future prospects, sustainability and viability of the Group's property development, property investment and hospitality business. The outbreak of COVID-19 is expected to cause unprecedented disruptions and negative impact to the various business sectors within the Group during this financial year.

The prospects for each business division are summarised below: -

#### ***Finance and related services***

The financial and related services shall continue to support the property development and property investment divisions for the financial year 2020. 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***

The Group's portfolio of office, retail & commercial units in our investment property business provides stable recurring rental income to the Group. Despite disruptions caused by COVID-19 where the Group expects to face reduction in rental revenue in countries like Malaysia and Canada pursuant to the respective government directives to offer reduction in rental, the Group expects the business to contribute to higher earnings and yield soon as the Group completes the retail components in its property development projects. The Group also anticipates a recovery and progressive increase in rental revenue upon completion of the upgrading works in Menara TA One, Kuala Lumpur.

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

#### *Property development*

The property development activities of the Group in Malaysia are also negatively impacted by the COVID-19 pandemic, resulting in lacklustre sales, additional time required to complete projects, additional overhead expenses and other expenses in managing the risks of COVID-19 at its construction sites. Although all these additional expenses and costs may put a strain on the profitability of the Group's property development earnings for the FY2020, nevertheless, the Group will continue to be dedicated to its reputation and brand by developing high-quality real estate products and services in its various projects that will enrich people and the communities where its developments projects are constructed.

#### *Hotel operations*

Hotel operations for the FY2020 is expected to be negatively impacted by COVID-19 as it rapidly spread across the globe, disrupting global travel and supply chains and adversely impacted global commercial activity. As the Group's hotels operates on a global platform, any changes in global, national, or regional economies and governmental policies (in areas such as trade, travel, immigration, healthcare, and related issues) due to COVID-19 will materially impact the Group's hotel performance if these conditions are extend longer than anticipated, or in other circumstances that we not able to predict or mitigate. The current decreases in travel resulting from weak economic conditions, changes in energy prices and currency values, heightened travel security measures, disruptions in air travel, and concerns over COVID-19 infection has caused three of our hotels to be closed temporarily. With the decline in hotels revenue during this COVID-19, we took steps to reduce operating costs and increase efficiency. Even though the Group's hotels may eventually reopen for business in the later part of year 2020, the overall hotels' performance depending on the market outlook of the respective countries, may take some time to stabilize and recover to their pre-COVID-19 performance levels. With the uncertainty of the aftermath of COVID-19, we are uncertain what the future holds for the travel and hospitality industry and our hotels as we do not know exactly when travelers will be back in force. However, together with our hotel operators, we will prepare for the months and years ahead in a post COVID-19 world as history has shown us that travel is one of the world's most resilient industries and we are certain that the travelers will be back to our hotels as soon as economies and international borders starts to open up. Given time, the Group's hotels will recover its loss grounds due to COVID-19 and start contributing effectively to the Group's future financial performance.

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

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

**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	2,558	3,070
- prior year	135	135
Foreign - current year	3,513	7,540
- prior year	1,984	1,985
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	<u>(1,461)</u>	<u>(2,924)</u>
	<u>6,729</u>	<u>9,806</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 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 and for the year to date was higher than the Malaysian statutory tax rate mainly due to certain expenses not allowable for tax purposes.

**B6 Corporate Proposals**

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

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

**B7 Group Borrowings and Debt Securities**

Total Group borrowings as at 30 June 2020 were as follows:-

<b><u>Long term borrowings</u></b>	<b>SECURED RM'000</b>	<b>UNSECURED RM'000</b>	<b>TOTAL RM'000</b>
Term loans	521,761	-	521,761
Bridging loans	4,072	-	4,072
	<b>525,833</b>	<b>-</b>	<b>525,833</b>
<b><u>Short term borrowings</u></b>			
Term loans	92,290	-	92,290
Revolving credits	95,500	95,200	190,700
Bridging loans	22,966	-	22,966
Other bank borrowings	1,219,464	-	1,219,464
	<b>1,430,220</b>	<b>95,200</b>	<b>1,525,420</b>
Total borrowings	<b>1,956,053</b>	<b>95,200</b>	<b>2,051,253</b>

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

	<b>Long term borrowings RM'000</b>	<b>Short term borrowings RM'000</b>	<b>Total RM'000</b>
Ringgit Malaysia ("RM")	4,072	253,666	257,738
Canadian Dollar ("CAD")	222,047	233,691	455,738
Singapore Dollar ("SGD")	299,714	-	299,714
United States Dollar ("USD")	-	1,011,818	1,011,818
Euro ("EUR")	-	26,245	26,245
Total borrowings	<b>525,833</b>	<b>1,525,420</b>	<b>2,051,253</b>

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

**B8 Material Litigation**

As at 19 August 2020, there were no changes in material litigation since the last financial year ended 31 December 2019.

**B9 Dividend**

No dividend was declared as at the date of this announcement.

**B10 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>
Stock Options -Less than 1 year	27,704	47	-
Forward Exchange Contract -Less than 1 year	324,641	-	(1,047)

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

There were no gains/losses arising from fair value changes of financial liabilities for the current financial period, other than as disclosed in Note B1 on derivatives.

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

**B12 Earnings per share attributable to owners of the Company**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30 June 2020	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2019	CURRENT YEAR TO DATE 30 June 2020	PRECEDING YEAR TO DATE 30 June 2019
<b>Basic earnings per share</b>				
(Loss)/Profit for the period - attributable to owners of the Company (RM'000)	(5,246)	9,027	(191,196)	130,741
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)	(0.10)	0.17	(3.59)	2.46

Basic earnings per share was calculated based on the Group's (loss)/ 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  
26 August 2020