TROPICANA
CORPORATION BERHAD
丽阳机构
(Company No. 47908-K)

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

## PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2013.

**A2. Changes in accounting policies**

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2013 except for the adoption of the following new/revised FRSs and Interpretations:

**Effective for financial periods beginning on or after 1 January 2014:**

| | |
|---|---|
| Amendments to FRS 132 | Offsetting Financial Assets and Financial Liabilities |
| Amendments to FRS 10, FRS 12 and FRS 127 | Investment Entities |
| Amendments to FRS 136 | Recoverable Amount Disclosures for Non-Financial Assets |
| Amendments to FRS 139 | Novation of Derivatives and Continuation of Hedge Accounting |
| IC Interpretation 21 | Levies |
| Amendments to FRS 201 | Property Development Activities |

Adoption of the above standards and interpretations did not have any effect on the financial performance or position and policy of the Group.

The following revised FRSs and Amendments to FRSs applicable to the Group have been issued by the MASB but not yet effective and have not been adopted by the Group:

**Effective for financial periods beginning on or after 1 July 2014:**

| | |
|---|---|
| Amendment to FRS 2 | Share-based payment (Annual Improvements to FRSs 2010 - 2012 Cycle) |
| Amendment to FRS 3 | Business Combinations (Annual Improvements to FRSs 2010 – 2012 and 2011 and 2013 Cycle) |

| | |
|---|---|
| Amendment to FRS 8 | Operating Segments (Annual Improvements to FRSs 2010 - 2012 Cycle) |
| Amendment to FRS 13 | Fair Value Measurement (Annual Improvements to FRSs 2011 - 2013 Cycle) |
| Amendment to FRS 116 | Property, Plant and Equipment (Annual Improvements to FRSs 2010 - 2012 Cycle) |
| Amendments to FRS 119 | Defined Benefit Plans: Employee Contributions |
| Amendment to FRS 124 | Related Party Disclosure (Annual Improvements to FRSs 2010 - 2012 Cycle) |
| Amendment to FRS 138 | Intangible Assets (Annual Improvements to FRSs 2010 - 2012 Cycle) |
| Amendment to FRS 140 | Investment Property (Annual Improvements to FRSs 2011-2013 Cycle) |

**Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 2 September 2014, MASB announced that Transitioning Entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first set of MFRS financial statements, the Group will quantify the financial effects of the differences between the currently applied FRS and MFRS. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

**A3. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2013 was not qualified.

**A4. Comments about seasonal or cyclical factors**

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

**A5. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that is unusual because of their nature, size or incidence**

As allowed under Para 45 of FRS 3 Business Combinations, the Purchase Price Allocation Exercise for a subsidiary acquired in financial year 2013 was completed. No adjustment was required on the Goodwill previously recognized.

Other than the completion of the Purchase Price Allocation Exercise, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

**A6. Changes in estimates**

There were no material changes in estimates for the financial period ended 30 September 2014.

**A7. Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period under review save and except as follows:

1) Issuance of 278,000,000 new ordinary shares of RM1.00 each due to conversion of RM361,400,000 of 10 year 3% Redeemable Convertible Unsecured Loan Stocks ("RCULS") at conversion price of RM1.30 per share;

2) Issuance of 7,458,568 new ordinary shares of RM1.00 each due to the exercise of 7,458,568 options pursuant the Employee Share Option Scheme of the Company; and

3) Issuance of 116 new ordinary shares of RM1.00 each due to the exercise of 116 Warrants 2009/2019 of the Company.

**A8. Dividends paid**

On 9 May 2014, the Company paid the first interim single-tier dividend of 4.0 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2014.

No dividend was paid during the current quarter under review.

## A9. Segmental information

Segmental information is presented in respect of the Group's business segments which are based on the internal reporting structure presented to the management of the Company.

The Group's principal business segments are property development, property investment and resort operations and investment holding.

The information by geographical location is not presented as the Group's activities are carried out predominantly in Malaysia.

| Business segment Analysis | QTR ended 30 Sep 2014 | | | | YTD ended 30 Sep 2014 | | | |
|---|---|---|---|---|---|---|---|---|
| | Property development | Property Investment and resort operations | Investment holding and others | Consolidated | Property development | Property Investment and resort operations | Investment holding and others | Consolidated |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 250,228 | 36,743 | 66,086 | **353,057** | 718,322 | 108,702 | 181,040 | **1,008,064** |
| Results from operations | 36,191 | 21,798 | 8,461 | **66,450** | 107,335 | 111,305 | 10,013 | **228,653** |
| Net finance cost | (4,555) | (6,245) | (5,192) | **(15,992)** | (16,863) | (13,289) | (16,649) | **(46,801)** |
| Share of results of associates | - | - | 673 | **673** | - | - | 927 | **927** |
| Share of results of jointly controlled entities | - | - | (187) | **(187)** | - | - | 13,987 | **13,987** |
| Profit before tax | **31,636** | **15,553** | **3,755** | **50,944** | **90,472** | **98,016** | **8,278** | **196,766** |

| Business segment analysis | QTR ended 30 Sep 2013 | | | | YTD ended 30 Sep 2013 | | | |
|---|---|---|---|---|---|---|---|---|
| | Property development | Property Investment and resort operations | Investment holding and others | Consolidated | Property development | Property Investment and resort operations | Investment holding and others | Consolidated |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 269,183 | 36,765 | 57,491 | **363,439** | 851,725 | 105,780 | 73,318 | **1,030,823** |
| Results from operations | 49,721 | 20,618 | 2,271 | **72,610** | 171,186 | 62,781 | (6,211) | **227,756** |
| Net finance cost | (18,389) | (759) | (6,273) | **(25,421)** | (30,071) | (3,407) | (20,994) | **(54,472)** |
| Share of results of associates | - | - | 281 | **281** | - | - | 4,380 | **4,380** |
| Share of results of jointly controlled entities | - | - | 1,877 | **1,877** | - | - | 809 | **809** |
| Profit/ (loss) before tax | **31,332** | **19,859** | **(1,844)** | **49,347** | **141,115** | **59,374** | **(22,016)** | **178,473** |

*Property development* segment

For the current quarter under review, the property development segment recorded revenue of RM250.2million as compared to RM269.2million in the corresponding quarter last year. The lower revenue reported was mainly caused by some projects which are at the initial stages of development.

Profit before tax ("PBT") for the current quarter is RM31.6million as compared to RM31.3million for the corresponding quarter last year. This segment reported higher operating expenses of RM3.3million which was mitigated by a gain on disposal of land of RM3.7million in the current quarter as compared to the same quarter last year.

*Property investment and resort operations segment*

For the current quarter under review, this segment recorded revenue and PBT of RM36.7million and RM15.6million as compared to RM36.8million and RM19.9million respectively in the corresponding quarter last year.

During the quarter under review, this segment continues to register sustainable earnings level through its recurring income received from its investment properties.There was a gain on disposal of investment property in the previous corresponding quarter which resulted in a higher PBT as compared to the current quarter.

*Investment holding and other segments*

For the current quarter under review, the segment recorded a revenue and PBT of RM66.1million and RM3.8million respectively as compared to a revenue and loss before taxation of RM57.5million and RM1.8million for the corresponding quarter last year. The improved performance in current quarter PBT was mainly due to additional contributions generated by few subsidiaries namely,Tenaga Kimia Sdn Bhd, Tropicana Building Materials Sdn Bhd and Tropicana Innovative Landscape Sdn Bhd.

**A10. Valuations of property, plant and equipment**

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the year ended 31 December 2013.

**A11. Material events subsequent to the end of interim period**

There were no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the interim financial statements.

## A12. Changes in composition of the Group

There were no changes in composition of the Group during the current quarter under review, except as follows:

1) On 17 September 2014, the Company acquired two (2) ordinary shares of RM1.00 each representing 100% of the total issued and paid-up share capital of Master Converge Sdn Bhd ("MCSB"), a shelf company, for a total cash consideration of RM2.00 only. With the acquisition, MCSB became a wholly-owned subsidiary of the Company.

2) On 22 September 2014, the Company registered a wholly foreign owned enterprise, namely Tropicana Investment Consulting Pte Ltd ("TIC") in Shanghai, the People's Republic of China in accordance with the Company Law of the People's Republic of China as a private limited liability company with a registered capital of Ren Min Bi ("**RMB**") 4,000,000. No capital injection is required at the initial stage of incorporation but the Company will be subscribe RMB4,000,000 in TIC shares within two (2) years from its date of incorporation. The total capital investment in TIC amounts to RMB5,700,000 over twenty (20) years of investment period. Following to the new set-up, TIC has become a wholly-owned subsidiary of the Company.

## A13. Changes in contingent liabilities or contingent assets

There were no change in contingent liabilities since the last annual audited position at 31 December 2013 except for the increase in corporate guarantees (unsecured) issued by the Company to licensed financial institutions for banking facilities granted to the subsidiaries of the Group amounting to RM285,271,991.

## A14. Capital commitments

The amount of commitments for capital expenditure as at 30/09/2014 is as follows:

| | **As at 30/09/14 RM'000** | **As at 30/09/13 RM'000** |
|---|---|---|
| Capital expenditure | | |
| Approved and contracted for | 948,800 | 1,988,000 |
| Approved but not contracted for | 728,300 | 914,000 |
| Share of joint venture's capital commitment in relation to land held for development | 351,000 | 459,500 |
| | 2,028,100 | 3,361,500 |

## PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

**B1. Performance review**

**Quarterly Results**

For the quarter under review, the Group recorded revenue of RM353.1 million. This was 3% lower in comparison to the corresponding quarter of the previous year, whilst PBT was higher by 3% for the current quarter under review as compared to the corresponding quarter last year.

**Year-to-date Results**

For the period ending 30 September 2014, the Group recorded revenue of RM1,008.1 million. This was 2% lower in comparison to the corresponding period of the previous year. Notwithstanding decline in revenue, the PBT grew by 10% to RM196.8 million against the corresponding period last year. The increase in PBT was contributed mainly by gains from the disposals of investment properties, land and a subsidiary of a jointly-controlled entity.

**B2. Variation of results against preceding quarter**

The revenue of RM353.1 million recorded in the current quarter was 0.8% lower than the immediate preceding quarter. The decrease in revenue was contributed by a lower percentage of revenue recognized on on-going property development projects.

In line with the lower revenue recorded, the PBT recorded for the current quarter is RM50.9 million as compared to RM121.0million achieved in the immediate preceding quarter. The higher PBT of the immediate preceding quarter was due to the disposals of investment properties and a subsidiary of a jointly controlled entity amounting to RM73.8 million.

**B3. Prospects**

At present, the property market in Malaysia is more subdued due to the prolonged effect of the various cooling measures introduced by the Government in the 2014 National Budget. Notwithstanding the market conditions, the Group continues to tap into its land bank, especially those in the Klang Valley, to launch products that cater to the current market demand.

Our product differentiation stems from our ability to focus on integrated township developments which offer a myriad of facilities namely, multi-tiered security system, generous green space, linear parks and excellent connectivity. The Group has achieved a total sales of RM1.2billion as at 30 Sep 2014 in addition to having secured unbilled sales of RM2.7billion which places it in a position to deliver sustainable performance in the near future.

Collaboration with JV partners will enable the Group to accelerate the development of existing land bank which is synergistic to our growth.

**B4. Profit forecast or profit guarantee**

No profit forecast or profit guarantee was issued for the financial period.

## B5. Taxation

| | Individual quarter | | Year to date | |
|---|---|---|---|---|
| | 30/09/14 RM'000 | 30/09/13 RM'000 | 30/09/14 RM'000 | 30/09/13 RM'000 |
| Tax expense for the period | 25,773 | 19,889 | 51,680 | 61,290 |
| Overprovision of tax for the previous financial year | (12,831) | (2,837) | (12,831) | (2,837) |
| Deferred tax transfers | 421 | 2,628 | (4,463) | 1,375 |
| | 13,363 | 19,680 | 34,386 | 59,828 |

The Group's effective tax rate was slightly lower than the statutory tax rate principally due to recognition of deferred tax assets and liabilities, as well as the utilisation of business losses.

## B6. Corporate Proposals
**Status of corporate proposals**

The following corporate proposals announced by the Company have not been completed as at 20 November 2014, being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report:

1) On 2 October 2014, Tropicana Subang South Development Sdn Bhd (formerly known as Taraf Permata Sdn Bhd) ("TSSD"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement ("SPA") with Mediaraya Sdn Bhd ("MSB") for the disposal of a piece of freehold land held under Geran 295496, Lot 4887, Bandar Subang Jaya, Daerah Petaling, Negeri Selangor Darul Ehsan, measuring approximately 9,968 square meters (equivalent to 107,294.65 square feet) for a total cash consideration of RM37,553,128.00 calculated at RM350.00 per square foot ("Disposal").

   Barring any unforeseen circumstances, the Disposal is expected to be completed in the 4$^{th}$ quarter of 2014.

2) On 8 May 2014, Supreme Converge Sdn. Bhd. ("SCSB"), a wholly-owned subsidiary of the Company, entered into a Subscription and Shareholders' Agreement with Agile Real Estate Development (M) Sdn Bhd (formerly known as Vista Oasis Sdn Bhd) ("Agile"), a wholly-owned subsidiary of Agile Property Holdings Limited ("APH") ("SSA"). SCSB and Agile have pursuant to the SSA subscribed shares in a new company known as Agile Tropicana Development Sdn Bhd (formerly known as Offshore Triangle Sdn Bhd) ("JV Co") where SCSB's and Agile's equity interest in the JV Co is 30% and 70% respectively.

   The JV Co had on 8 May 2014 entered into a conditional sale and purchase agreement with Tropicana Bukit Bintang Development Sdn. Bhd. ("TBBD") ("TBBD SPA"), a wholly-owned subsidiary of the Company, whereby TBBD has agreed to sell and JV Co has agreed to purchase 8 parcels of freehold land all in Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, measuring in aggregate approximately 3.138 acres (equivalent to approximately 136,719.48 square feet) in area ("TBBD Land"), for a total cash consideration of RM448,439,901.

TBBD and JV Co had on 7 November 2014 mutually agreed to extend the period of fulfillment of conditions precedent for a period of 2 months to 7 January 2015 ("Extended Period'). Both TBBD and JV Co will during the Extended Period negotiate and enter into a supplemental agreement to the TBBD SPA.

As at the date of this report, TBBD SPA is pending fulfillment of the conditions precedent in accordance with the terms of the TBBD SPA.

3) On 19 March 2014, Sapphire Index Sdn Bhd ("SISB"), a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with Eco Sanctuary Sdn Bhd (formerly known as Prominent Stream Sdn Bhd), a wholly-owned subsidiary of Eco World Development Group Bhd (formerly known as Focal Aims Holdings Berhad) ("EWDGB") for the proposed disposal of approximately 308.72 acres of net leasehold land forming part of the 11 parcels of leasehold land, all in Mukim Tanjong Duabelas, District of Kuala Langat, State of Selangor for a total cash consideration of RM470,674,512 ("Proposed Disposal").

   As at the date of this report, the Proposed Disposal is pending fulfillment of the conditions precedent in accordance with the terms of the sale and purchase agreement.

4) On 12 February 2014, the Company entered into the following :

   i) Shareholders Agreement with Lasallian Asia Partnership for International Schools Pte Ltd (Company. No. 201315250G) ("LAPIS") and Tropicana SJII Education Management Sdn Bhd ("TSEM"), a subsidiary of the Company ("TSEM Shareholders Agreement"); and

   ii) Shareholders Agreement with LAPIS, Warisan Istimewa Sdn Bhd ("WISB") and Tropicana Education Management Sdn Bhd ("TEM"), a subsidiary of the Company ("TEM Shareholders Agreement").

   (collectively referred to as "Shareholders Agreements")

   The purpose of the TSEM Shareholders Agreement and the TEM Shareholders Agreement is for the purpose of establishing and operating an international school to be known as "St. Joseph's Institution International School Malaysia (Tropicana PJ Campus)" or such other name as may be mutually agreed upon and approved by the relevant authorities ("International School") in collaboration with LAPIS encompassing the following:

   i) the construction of the International School by TEM on the land held under the title H.S.(D) 296471, No. PT 12687, Pekan Baru Sungai Buloh, Daerah Petaling, Negeri Selangor ("TEM Land"). TEM is the registered proprietor and beneficial owner of the TEM Land and had on 7 August 2014 entered into an Agreement to Lease with TSEM whereupon TEM has agreed to grant and TSEM has agreed to take a lease of the TEM Land together with the International School constructed thereon for three (3) fixed terms of ten (10) years each commencing from 1 September 2016 or such other date as TEM and TSEM shall mutually agree to in writing in accordance with and subject to the terms and conditions of the Agreement to Lease; and

ii) the operation of the International School by TSEM and managed by LAPIS whereupon TSEM had on 7 August 2014 entered into a Management Agreement with LAPIS pursuant to which LAPIS is to manage the day-to-day running of the School in accordance with and subject to the terms and conditions of the Management Agreement.

As at the date of this report, the Shareholders Agreements are pending fulfillment of the conditions precedent in accordance with the terms of the Shareholders Agreements.

5) On 23 December 2013, Tropicana Danga Senibong Holding Sdn Bhd ("TDSHSB") (formerly known as Golddust United Sdn Bhd), a wholly-owned subsidiary of the Company, entered into a Shareholders Agreement with Tebrau Bay Sdn Bhd ("TBSB" or the "Vendor"), a wholly-owned subsidiary of Iskandar Waterfront City Berhad (formerly known as Tebrau Teguh Berhad) ("IWCB"), ("Shareholders Agreement"), to regulate their relationship as shareholders of Tropicana Danga Senibong Sdn Bhd ("TDSSB" or "the Purchaser") (formerly known as Renown Dynamic Sdn Bhd), a special purpose vehicle used to acquire the Property (as defined below) and to develop the Property into a mixed development comprising commercial and residential components ("Proposed Joint Venture"). Pursuant to the Shareholders Agreement, TDSHSB and TBSB will hold equity interest in TDSSB in proportion of 70% and 30% respectively.

On 23 December 2013, TDSSB entered into a conditional Sale and Purchase Agreement with TBSB whereby the Vendor agreed to sell and the Purchaser agreed to purchase a parcel of land measuring approximately 60 acres which is presently a portion of a piece of leasehold land measuring 84.614 acres held under HS(D) 437846 PTD 194795 in the District of Johor Bahru, Mukim Plentong, State of Johor ("the Property") for a total cash consideration of RM444,312,000 ("Proposed Land Acquisition").

As at the date of this report, the Proposed Land Acquisition is pending fulfilment of the conditions precedent in accordance with the terms of the sales and purchase agreement.

6) On 15 April 2013, Sapphire Index Sdn Bhd ("SISB"), a wholly-owned subsidiary of the Company, entered into a sale and purchase cum development agreement with Menteri Besar Selangor (Pemerbadanan) ("MBI") and Permodalan Negeri Selangor Berhad ("PNSB") for the proposed acquisition cum development of 11 parcels of leasehold land, all in Mukim Tanjong Duabelas, District of Kuala Langat, State of Selangor, measuring approximately 4,743,986.21 square metres (51,063,794 square feet) for a total cash consideration of RM1,297,259,264 ("Proposed Acquisition").

The sale and purchase agreement for the Proposed Acquisition became unconditional on 13 February 2014. Subsequently, on 7 August 2014, MBI, PNSB and SISB entered into a supplementary agreement in respect of the Proposed Acquisition.

As at date of this report, the Proposed Acquisition has been completed.

## B7. Interest-bearing loans and borrowings

| | As at 30/09/14 RM'000 | As at 30/09/13 RM'000 |
|---|---|---|
| Secured short term borrowings | 511,768 | 315,165 |
| Secured long term borrowings | 1,884,028 | 1,527,599 |
| Unsecured long term borrowings | 14,335 | 86,010 |
| | 2,410,131 | 1,928,774 |

Included in the above Group loans and borrowings is the following loan and borrowing raised by a subsidiary and denominated in foreign currency:

| As at 30/09/2014 | |
|---|---|
| Foreign Currency '000 | RM'000 |
| 8,000 | 26,244 |

## B8. Material litigation

On 26 August 2013, the Company received an order from the Arbitral Tribunal to add the Company as a party to the arbitration proceedings between Dijaya-Malind JV (Mauritius) Limited ("DMML"), Dijaya-Malind Properties (India) Private Limited ("DMPPL") and Starlite Global Enterprise (India) Limited ("SGEIL") ("Order").

The arbitration proceedings was previously instituted by DMML and DMPPL against SGEIL to seek the return of the deposit sum and damages arising from termination of the Deed of Novation cum Joint Development Agreement.

The Company appealed to the City Civil Court of Hyderabad against the Order which was dismissed on 2 June 2014. As our legal counsel opines the Order was erroneous and wrong in law, the Company has filed a further appeal to the High Court of Judicature of Andhra Pradesh.

## B9. Dividend payable

There was no dividend proposed for the quarter under review.

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

## B10. Earnings per share

a) Basic earnings per ordinary share

Basic earnings per share were calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

| | Individual quarter | | Year to date | |
|---|---|---|---|---|
| | 30/09/14 | 30/09/13 | 30/09/14 | 30/09/13 |
| Profit attributable to ordinary equity holders of the Company (RM'000) | 29,520 | 23,720 | 126,803 | 105,855 |
| Weighted average number of ordinary shares in issue ('000) | 1,392,678 | 1,078,733 | 1,326,273 | 922,465 |
| Basic earnings per share (sen) | 2.12 | 2.20 | 9.56 | 11.47 |

(b) Diluted earnings per ordinary share

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares from the exercise of share options under the ESOS, the Warrants and the RCULS.

| | Individual quarter | | Year to date | |
|---|---|---|---|---|
| | 30/09/14 | 30/09/13 | 30/09/14 | 30/09/13 |
| Profit attributable to ordinary equity holders of the Company (RM'000) | 29,520 | 23,720 | 126,803 | 105,855 |
| Interest on RCULS (RM'000) | 280 | 2,353 | 2,265 | 7,246 |
| Profit attributable to ordinary equity holders of the Company including assumed conversion (RM'000) | 29,800 | 26,073 | 129,068 | 113,101 |
| Weighted average number of ordinary shares in issue ('000) for the purpose of basic earnings per share | 1,392,678 | 1,078,733 | 1,326,273 | 922,465 |
| Effects of dilution : | | | | |
| - ESOS ('000) | 12,535 | 15,150 | 9,900 | 13,616 |
| - Warrants ('000) | 45,745 | 153,558 | 45,745 | 153,558 |
| Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share | 1,450,958 | 1,247,441 | 1,381,918 | 1,089,639 |
| Diluted earnings per share (sen) | 2.05 | 2.09 | 9.34 | 10.38 |

## PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

### B11. Realised/Unrealised Retained Profits

| | Current Quarter RM'000 | Immediate preceding quarter RM'000 |
|---|---|---|
| Total retained profits of the Group: | | |
| - Realised | 449,964 | 487,789 |
| - Unrealised | 395,926 | 319,557 |
| | 845,890 | 807,346 |
| Total share of retained earnings from jointly controlled entities | | |
| - Realised | 98,216 | 98,403 |
| Total share of retained earnings from associates | | |
| - Realised | 2,185 | 1,512 |
| Consolidation Adjustment | (277,064) | (267,556) |
| **Total retained profits carried forward** | **669,227** | **639,705** |

### B12. Notes to the Statement of Comprehensive Income

| | Individual quarter 30/09/14 RM'000 | Year to date 30/09/14 RM'000 |
|---|---|---|
| Profit for the period is arrived at after crediting/(charging):- | | |
| Interest income | 2,393 | 6,716 |
| Other income including investment income | 14,927 | 25,910 |
| Interest expense | (18,385) | (53,517) |
| Depreciation and amortization | (5,235) | (16,084) |
| Provision for and write off of receivables | - | - |
| Provision for and write off of inventories | - | - |
| Gain/(loss) on disposal of quoted or unquoted investment | - | - |
| Gain on disposal of investment properties | 672 | 60,265 |
| Foreign exchange gain/(loss) | 4 | (347) |
| Gain/(Loss) on derivatives | - | - |
| Exceptional items | - | - |

### B13. Authorisation for issue

The interim financial statements were authorised for issuance by the Board of Directors in accordance with the Directors' resolution dated 27 November 2014.