



TROPICANA

CORPORATION BERHAD

丽阳机构

(Company No. 47908-K)

**INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 JUNE 2015**

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Individual Period		Cumulative Periods	
		Current Year	Preceding Year	Current Year	Preceding Year
		<u>30/06/2015</u>	<u>30/06/2014</u>	<u>30/06/2015</u>	<u>30/06/2014</u>
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		312,336	301,483	703,256	554,158
Cost of sales		(210,178)	(181,653)	(485,948)	(336,813)
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Gross profits		102,158	119,830	217,308	217,345
Other income		2,492	1,211	6,867	10,494
Gain/(loss) on disposal of investment properties		5,131	58,648	(4,957)	58,648
Administrative and other expenses		(68,167)	(67,725)	(126,455)	(140,393)
Finance income		6,336	2,107	8,246	4,305
Finance costs		(24,225)	(15,562)	(38,950)	(34,977)
Share of results of joint ventures		2,242	12,448	4,976	12,855
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Profit before tax		25,967	110,957	67,035	128,277
Taxation	B5	(987)	(13,591)	(20,758)	(18,010)
Profit for the period from continuing operations		24,980	97,366	46,277	110,267
Profit for the period from discontinued operations		6,473	7,758	12,146	14,530
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Profit for the period		31,453	105,124	58,423	124,797
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Other comprehensive income					
Foreign currency translation		(1,649)	(343)	1,884	(409)
Total comprehensive income		29,804	104,781	60,307	124,388
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Profit attributable to:					
Owners of the parent		23,165	89,456	42,441	97,281
Non-controlling interests		8,288	15,668	15,982	27,516
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		31,453	105,124	58,423	124,797

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Note	Individual Period		Cumulative Periods	
	Current Year	Preceding Year	Current Year	Preceding Year
	<u>30/06/2015</u>	<u>30/06/2014</u>	<u>30/06/2015</u>	<u>30/06/2014</u>
	RM'000	RM'000	RM'000	RM'000
Total comprehensive income attributable to:				
Owners of the parent	22,274	89,113	43,551	96,872
Non-controlling interests	7,530	15,668	16,756	27,516
	29,804	104,781	60,307	124,388
Earnings per share attributable to owners of the parent:				
<i>Basic</i>				
- for profit from continuing operations (sen)	1.41	6.08	2.47	6.82
- for profit from discontinued operations (sen)	0.19	0.35	0.50	0.70
B10	1.60	6.43	2.97	7.52
<i>Diluted</i>				
- for profit from continuing operations (sen)	1.40	5.64	2.43	6.38
- for profit from discontinued operations (sen)	0.18	0.32	0.50	0.64
B10	1.58	5.96	2.93	7.02

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At 30/06/2015 RM'000	As At 31/12/2014 (Audited) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A10	705,586	576,459
Investment properties		538,833	541,333
Land held for property development		2,203,112	2,099,484
Intangible assets		14,101	80,378
Investment in associates		-	2,756
Investment in joint ventures		260,372	264,410
Other Investments		312	312
Deferred tax assets		12,138	38,609
Security retainers accumulation fund		4,152	4,050
Other receivables		9,979	5,967
		<u>3,748,585</u>	<u>3,613,758</u>
Current assets			
Property development costs		781,128	935,673
Inventories		50,165	52,305
Trade and other receivables		1,162,975	808,534
Other current assets		413,371	505,484
Tax recoverable		18,848	23,207
Cash and bank balances		724,104	452,627
		<u>3,150,591</u>	<u>2,777,830</u>
Assets of disposal group classified as held for sale		483,231	823,408
		<u>3,633,822</u>	<u>3,601,238</u>
TOTAL ASSETS		<u>7,382,407</u>	<u>7,214,996</u>

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As At 30/06/2015 RM'000	As At 31/12/2014 (Audited) RM'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		1,447,466	1,396,268
Treasury shares		(8,148)	(42,779)
Reserves		1,547,785	1,579,480
		<u>2,987,103</u>	<u>2,932,969</u>
Non-controlling interests		274,168	252,212
Total equity		<u>3,261,271</u>	<u>3,185,181</u>
Non-current liabilities			
Provision for liabilities		57,936	44,643
Borrowings	B7	1,692,597	1,672,897
Deferred tax liabilities		73,826	121,199
Sinking fund reserve		2,540	1,993
Security retainers		1,651	1,587
Deferred license fees		83,760	80,733
Trade payables		516,889	496,274
		<u>2,429,199</u>	<u>2,419,326</u>
Current liabilities			
Deferred license fees		1,182	2,367
Borrowings	B7	761,710	765,071
Trade and other payables		854,080	820,329
Tax payable		40,349	22,722
		<u>1,657,321</u>	<u>1,610,489</u>
Liabilities of disposal group classified as held for sale		<u>34,616</u>	<u>-</u>
TOTAL LIABILITIES		<u>4,121,136</u>	<u>4,029,815</u>
TOTAL EQUITY AND LIABILITIES		<u>7,382,407</u>	<u>7,214,996</u>
Net assets per share (RM)		<u>2.07</u>	<u>2.14</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	←-----Attributable to owners of the parent----->										
	←-----Non-distributable----->										
	Share Capital	Treasury Shares	Share Premium	Warrant Reserve	Share Options Reserve	RCULS Reserve	Foreign Currency Translation Reserve	Retained Profit	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2014	1,107,281	(42,779)	488,122	45,960	6,772	368,660	(893)	597,133	2,570,256	163,778	2,734,034
Total comprehensive income	-	-	-	-	-	-	(409)	97,281	96,872	27,516	124,388
Transactions with owners											
Issue of ordinary shares pursuant to ESOS	6,959	-	497	-	-	-	-	-	7,456	-	7,456
Issue of ordinary shares pursuant to RCULS	278,000	-	75,838	-	-	(302,397)	-	-	51,441	-	51,441
Effects pursuant to ESOS on:											
- conversion	-	-	2,228	-	(2,228)	-	-	-	-	-	-
- grant	-	-	-	-	2,534	-	-	-	2,534	-	2,534
Issuance of equity to non-controlling interests	-	-	-	-	-	-	-	-	-	29,040	29,040
Dividends	-	-	-	-	-	-	-	(54,709)	(54,709)	(1,472)	(56,181)
Total transaction with owners	284,959	-	78,563	-	306	(302,397)	-	(54,709)	6,722	27,568	34,290
As at 30 June 2014	1,392,240	(42,779)	566,685	45,960	7,078	66,263	(1,302)	639,705	2,673,850	218,862	2,892,712
As at 1 January 2015	1,396,268	(42,779)	568,388	45,960	20,186	66,227	823	877,896	2,932,969	252,212	3,185,181
Total comprehensive income	-	-	-	-	-	-	1,110	42,441	43,551	16,756	60,307
Transactions with owners											
Issue of ordinary shares pursuant to ESOS	344	-	-	-	-	-	-	-	344	-	344
Issue of ordinary shares pursuant to RCULS	50,854	-	25,612	-	-	(66,227)	-	-	10,239	-	10,239
Effects pursuant to ESOS on:											
- conversion	-	-	96	-	(96)	-	-	-	-	-	-
- forfeiture	-	-	-	-	(2,057)	-	-	2,057	-	-	-
Issuance of equity to non-controlling interests	-	-	-	-	-	-	-	-	-	5,200	5,200
Dividends	-	34,631	(16,112)	-	-	-	-	(18,519)	-	-	-
Total transaction with owners	51,198	34,631	9,596	-	(2,153)	(66,227)	-	(16,462)	10,583	5,200	15,783
As at 30 June 2015	1,447,466	(8,148)	577,984	45,960	18,033	-	1,933	903,875	2,987,103	274,168	3,261,271

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	30/06/2015 RM'000	30/06/2014 RM'000
Cash flows from operating activities		
Profit before tax		
- from continuing operations	67,035	128,277
- from discontinued operations	15,741	17,543
	<u>82,776</u>	<u>145,820</u>
Adjustments for:		
Interest income	(8,299)	(4,323)
Interest expense	39,243	35,074
Depreciation of property, plant and equipment	12,773	10,849
Loss/(gain) on disposal of assets held for sale	4,957	(58,648)
Provision for liabilities	13,359	(4,939)
Share of profits in associates	17	(253)
Share of profits in joint ventures	(6,648)	(14,174)
Unwinding of discount of security retainers	63	59
Amortisation of borrowings expenses	3,228	3,027
Amortisation of deferred license fees	(1,182)	(1,306)
Amortisation of endowment fund premium	6	6
Share options granted under ESOS	-	2,534
Unrealised returns on endowment policy	(108)	(108)
Total adjustments	<u>57,409</u>	<u>(32,202)</u>
Operating profit before working capital changes	140,185	113,618
Changes in working capital:		
Inventories	354	515
Receivables	135,140	(108,728)
Property development costs	(46,805)	(55,375)
Land held for property development	(2,034)	(44,690)
Payables	77,446	(25,797)
Deposits with licensed banks not available for use	(110,678)	(14,959)
Cash generated from/(used in) operations	193,608	(135,416)
Increase in sinking fund reserve	547	421
Increase in deferred license fees	3,024	5,410
Interest paid	(57,507)	(45,160)
Taxes paid, net of refunds	(27,867)	(41,224)
Net cash generated from/(used in) operating activities	111,805	(215,969)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	30/06/2015 RM'000	30/06/2014 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(74,516)	(20,576)
Purchase of investment properties	(7,790)	(31,938)
Proceeds from disposal of assets held for sale	139,093	45,720
Increase in assets held for sale	(29,582)	-
Interest received	8,299	4,323
Increase in investment in joint ventures	(4,700)	-
Dividend received from joint ventures	966	717
Net cash generated from/(used in) investing activities	31,770	(1,754)
Cash flows from financing activities		
Issuance of equity interest to non-controlling interests	5,200	150
Drawdown from borrowings	46,040	156,336
Issue of ordinary shares pursuant to ESOS	344	7,456
Dividends paid to equity holders of the Company	-	(54,709)
Dividends paid to minority shareholder of a subsidiary	-	(1,472)
Net cash generated from financing activities	51,584	107,761
Net increase/(decrease) in cash and cash equivalents	195,159	(109,962)
Effects of foreign exchange rate changes	1,884	(409)
Cash and cash equivalents at beginning of financial year	390,606	446,652
Cash and cash equivalents at end of financial year *	587,649	336,281

* Cash and cash equivalents at end of the financial period comprise the following:

	30/06/2015 RM'000	30/06/2014 RM'000
Cash and bank balances	724,104	386,884
Less: Bank overdrafts	(1,520)	(6,277)
	722,584	380,607
Less: Cash and cash equivalents not available for use	(162,316)	(59,540)
From continuing operations	560,268	321,067
From discontinued operations	27,381	15,214
Total cash and cash equivalents at end of financial year	587,649	336,281

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.