



**INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED 31 DECEMBER 2019**

**TROPICANA**

CORPORATION BERHAD

丽阳机构

(Company No. 47908-K)

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	RM'000	RM'000	RM'000	RM'000
Revenue	365,006	593,931	1,120,354	1,635,471
Cost of sales	(193,570)	(420,203)	(624,295)	(1,116,287)
<b>Gross profit</b>	<b>171,436</b>	<b>173,728</b>	<b>496,059</b>	<b>519,184</b>
Other income	383,715	50,396	419,516	103,943
Selling and marketing expenses	(8,293)	(6,632)	(27,879)	(20,731)
Administrative expenses	(76,808)	(62,075)	(271,608)	(228,617)
Other expenses	(182,459)	(14,567)	(187,938)	(15,450)
<b>Operating profit</b>	<b>287,591</b>	<b>140,850</b>	<b>428,150</b>	<b>358,329</b>
Finance income	4,428	6,758	18,468	27,792
Finance costs	(24,182)	(18,332)	(75,850)	(66,855)
Share of results of joint ventures	4,647	24	11,502	419
Share of results of an associate	166	1,896	819	546
<b>Profit before tax</b>	<b>272,650</b>	<b>131,196</b>	<b>383,089</b>	<b>320,231</b>
Income tax	(13,319)	(75,480)	(28,139)	(140,400)
<b>Profit for the period</b>	<b>259,331</b>	<b>55,716</b>	<b>354,950</b>	<b>179,831</b>
<b>Other comprehensive income/(loss)</b>				
<b>to be reclassified to profit or</b>				
<b>loss in subsequent period:</b>				
Foreign currency translation	7	(3)	65	(19)
<b>Total comprehensive income</b>	<b>259,338</b>	<b>55,713</b>	<b>355,015</b>	<b>179,812</b>
<b>Profit attributable to:</b>				
Owners of the parent	233,900	51,476	335,784	170,029
Holder of perpetual bond	4,376	-	4,661	-
Non-controlling interests	21,055	4,240	14,505	9,802
	<b>259,331</b>	<b>55,716</b>	<b>354,950</b>	<b>179,831</b>

**TROPICANA**

CORPORATION BERHAD

丽阳机构

(Company No. 47908-K)

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Year to Date	
	Current Year	Preceding Year	Current Year to	Preceding Year
	Quarter	Corresponding	Date	Corresponding
Note	<u>31/12/2019</u>	<u>31/12/2018</u>	<u>31/12/2019</u>	<u>31/12/2018</u>
	RM'000	RM'000	RM'000	RM'000
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	233,907	51,473	335,849	170,010
Holders of perpetual bond	4,376	-	4,661	-
Non-controlling interests	21,055	4,240	14,505	9,802
	<u>259,338</u>	<u>55,713</u>	<u>355,015</u>	<u>179,812</u>
<b>Earnings per share attributable to owners of the parent:</b>				
<b>(sen per share)</b>				
- Basic	B10 16.21	3.54	23.32	11.65
- Diluted	B10 16.21	3.54	23.32	11.65

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As At 31/12/2019 RM'000	As At 31/12/2018 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		980,910	887,009
Inventories		5,938,373	2,639,007
Investment properties		1,427,145	574,732
Right-of-use assets		6,882	-
Investment in an associate		53,388	52,569
Investments in joint ventures		249,044	240,343
Other investments		312	312
Intangible assets		1,037	27,130
Deferred tax assets		109,489	84,545
Trade and other receivables		10,294	14,676
Contract assets		18,675	17,618
		<u>8,795,549</u>	<u>4,537,941</u>
<b>Current assets</b>			
Inventories		747,852	1,667,036
Trade and other receivables		487,957	488,705
Contract cost assets		20,552	46,516
Contract assets		285,036	288,955
Tax recoverable		28,391	30,789
Cash and bank balances		752,909	975,774
		<u>2,322,697</u>	<u>3,497,775</u>
Assets classified as held for sale		<u>145,650</u>	<u>59,100</u>
<b>Total assets</b>		<u>11,263,896</u>	<u>8,094,816</u>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As At 31/12/2019 RM'000	As At 31/12/2018 RM'000
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		2,044,322	2,044,314
Irredeemable convertible preference shares		1,004,593	-
Treasury shares		(13,648)	(25,094)
Other reserves		1,634,200	1,384,450
		<u>4,669,467</u>	<u>3,403,670</u>
Perpetual bond		252,661	-
Non-controlling interests		715,569	409,205
<b>Total equity</b>		<u>5,637,697</u>	<u>3,812,875</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		501,772	192,434
Borrowings	B7	1,598,043	1,333,071
Trade and other payables		500,858	733,467
Irredeemable preference shares		211,355	-
Contract liabilities		135,524	137,621
Lease liabilities		3,650	-
		<u>2,951,202</u>	<u>2,396,593</u>
<b>Current liabilities</b>			
Borrowings	B7	921,507	623,114
Trade and other payables		1,523,817	1,168,523
Irredeemable preference shares		27,854	-
Contract liabilities		173,749	19,703
Tax payable		24,865	74,008
Lease liabilities		3,205	-
		<u>2,674,997</u>	<u>1,885,348</u>
<b>Total liabilities</b>		<u>5,626,199</u>	<u>4,281,941</u>
<b>Total equity and liabilities</b>		<u>11,263,896</u>	<u>8,094,816</u>
<b>Net assets per share (RM)</b>		<u>3.21</u>	<u>2.36</u>

*The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	-----> Attributable to owners of the parent <----->										
	<-----Non-distributable----->										
	Share Capital RM'000	Irredeemable Convertible Preference Shares RM'000	Treasury Shares RM'000	Translation Reserve RM'000	Warrants 2009/2019 Reserve RM'000	Retained Earnings RM'000	Total Reserves RM'000	Total RM'000	Perpetual Bond RM'000	Non-controlling Interests RM'000	Total Equity RM'000
<b>As at 1 January 2018</b>	2,044,314	-	(6,692)	(110)	45,960	1,192,010	1,237,860	3,275,482	-	311,996	3,587,478
<b>Total comprehensive (loss)/income</b>	-	-	-	(19)	-	170,029	170,010	170,010	-	9,802	179,812
<b>Transactions with owners</b>											
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	-	-	23,366	23,366
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	64,689	64,689
Purchase of treasury shares	-	-	(18,402)	-	-	-	-	(18,402)	-	-	(18,402)
Dividend paid via:											
- cash	-	-	-	-	-	(23,420)	(23,420)	(23,420)	-	(648)	(24,068)
<b>Total transaction with owners</b>	-	-	(18,402)	-	-	(23,420)	(23,420)	(41,822)	-	87,407	45,585
<b>As at 31 December 2018</b>	2,044,314	-	(25,094)	(129)	45,960	1,338,619	1,384,450	3,403,670	-	409,205	3,812,875
<b>As at 1 January 2019</b>	2,044,314	-	(25,094)	(129)	45,960	1,338,619	1,384,450	3,403,670	-	409,205	3,812,875
<b>Total comprehensive income</b>	-	-	-	65	-	335,784	335,849	335,849	-	14,505	350,354
Distribution for the period	-	-	-	-	-	-	-	-	4,661	-	4,661
<b>Transactions with owners</b>											
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	-	-	6,662	6,662
Issuance of perpetual bond	-	-	-	-	-	-	-	-	248,000	-	248,000
Ordinary shares issued pursuant to:											
- Warrant exercise	8	-	-	-	-	-	-	8	-	-	8
- Transfer of warrant reserve to retained earning upon expiry	-	-	-	-	(45,960)	45,960	-	-	-	-	-
Acquisition of subsidiaries	-	1,004,593	-	-	-	-	-	1,004,593	-	-	1,004,593
Acquisition of non-controlling interests	-	-	-	-	-	(7,965)	(7,965)	(7,965)	-	285,197	277,232
Purchase of treasury shares	-	-	(26,725)	-	-	-	-	(26,725)	-	-	(26,725)
Dividend paid via:											
- distribution of treasury shares	-	-	38,171	-	-	(38,171)	(38,171)	-	-	-	-
- cash	-	-	-	-	-	(39,963)	(39,963)	(39,963)	-	-	(39,963)
<b>Total transaction with owners</b>	8	1,004,593	11,446	-	(45,960)	(40,139)	(86,099)	929,948	248,000	291,859	1,469,807
<b>As at 31 December 2019</b>	2,044,322	1,004,593	(13,648)	(64)	-	1,634,264	1,634,200	4,669,467	252,661	715,569	5,637,697

The 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 explanatory notes attached to the interim financial statements.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	31/12/2019	31/12/2018
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	383,089	320,231
Adjustments for:		
Depreciation of property, plant and equipment	37,053	24,258
Amortisation of intangible assets	-	106
Finance income	(18,468)	(27,792)
Finance costs	75,850	66,855
Share of results of an associate	(819)	(546)
Share of results of joint ventures	(11,502)	(419)
Net gain on disposal of assets classified as held for sale	(322)	-
Net gain on disposal of property, plant and equipment	(170)	(10,246)
Property, plant and equipment written off	2,691	48
Net fair value gain on investment property	(3,395)	(31,422)
Amortisation of deferred license fees	(4,466)	(4,402)
Amortisation of security retainers accumulation fund	11	11
Impairment loss on property, plant and equipment	50,767	-
Impairment loss of intangible assets	25,643	1,475
Impairment loss on trade and other receivables	1,436	10,255
Reversal of impairment loss on trade and other receivables	-	(3,028)
Bad debt written off	-	80
Unrealised returns on security retainers accumulation fund	(216)	(281)
Gain on disposal of a joint venture	-	(24,427)
Gain on a bargain purchase	(336,968)	(15,911)
<b>Operating profit before working capital changes</b>	<b>200,214</b>	<b>304,845</b>
Changes in working capital:		
Trade and other receivables	182,118	89,021
Contract assets	2,863	109,432
Inventories	(6,541)	17,921
Contract cost assets	29,001	103,727
Contract liabilities	4,193	4,721
Trade and other payables	(118,234)	(114,033)
Cash from operations	293,614	515,634
Finance costs paid	(120,044)	(104,395)
Net taxes paid	(117,455)	(128,825)
<b>Net cash from operating activities</b>	<b>56,115</b>	<b>282,414</b>

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2019**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	31/12/2019 RM'000	31/12/2018 RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(85,204)	(96,250)
Purchase of investment properties	(377,560)	(224,743)
Acquisition of intangible assets	-	(1,593)
Net cash outflow on acquisition of subsidiaries	-	(41,241)
Proceeds from disposal of property, plant and equipment	577	12,850
Proceeds from disposal of assets held for sale	59,422	-
Proceeds from issuance of warrants	8	-
Proceeds from disposal of a joint venture, net	-	178,442
Subscription of shares in joint venture	(3,325)	(5,378)
Advances to an associate	-	(15,000)
Finance cost paid	(22,934)	(16,769)
Finance income received	18,469	27,792
<b>Net cash used in investing activities</b>	<b>(410,547)</b>	<b>(181,890)</b>
<b>Cash flows from financing activities</b>		
Payment of borrowing costs	(11,397)	(10,841)
Drawdown from borrowings	884,088	1,001,281
Repayment of borrowings	(910,689)	(1,039,627)
Repayment of hire purchase	(6,907)	(1,456)
Uplift of debt service reserve, escrow accounts and deposits with licensed banks not available for use	82,846	129,262
Proceeds from issuance of perpetual bond	248,000	-
Proceeds from issuance of shares to non-controlling interests	-	23,366
Purchase of treasury shares	(26,725)	(18,402)
Dividends paid to non-controlling interest	-	(648)
Dividends paid to shareholders of the Company	(39,963)	(23,420)
<b>Net cash from financing activities</b>	<b>219,253</b>	<b>59,515</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(135,179)</b>	<b>160,039</b>
Effects of foreign exchange rate changes	65	(19)
<b>Cash and cash equivalents at beginning of financial year</b>	<b>721,583</b>	<b>561,563</b>
<b>Cash and cash equivalents at end of financial year*</b>	<b>586,469</b>	<b>721,583</b>

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

	31/12/2019 RM'000	31/12/2018 RM'000
Cash and bank balances	752,909	975,774
Less: Bank overdrafts	-	(4,905)
Less: Cash and cash equivalents not available for use	(166,440)	(249,286)
<b>Total cash and cash equivalents at end of financial year</b>	<b>586,469</b>	<b>721,583</b>

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.