

# **GOLDIS BERHAD**

## **Interim Financial Report**

For the financial period ended 31 October 2012

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**GOLDIS BERHAD**  
**Condensed Consolidated Income Statements**  
For the financial period ended 31 October 2012  
*(The figures have not been audited)*

	Current Year Quarter 31.10.12 RM'000	Preceding Year Quarter 31.10.11 RM'000	Current Year To-Date 31.10.12 RM'000	Preceding Year To-Date 31.10.11 RM'000
		(Restated)		(Restated)
Revenue	27,531	20,796	80,214	53,610
Cost of sales	(14,199)	(10,595)	(38,155)	(27,579)
Gross profit	13,332	10,201	42,059	26,031
Other income	300	2,087	1,837	3,414
Selling and distribution expenses	(597)	(826)	(1,364)	(1,865)
Administration expenses	(9,747)	(9,272)	(26,607)	(25,236)
Operating profit	3,288	2,190	15,925	2,344
Finance income	2,455	1,218	4,965	1,386
Finance costs	(2,556)	(3,256)	(7,613)	(9,772)
Finance costs (net)	(101)	(2,038)	(2,648)	(8,386)
Share of results of an associate	9,701	23,437	52,145	54,057
Profit before taxation	12,888	23,589	65,422	48,015
Taxation	(1,041)	(246)	(6,547)	(808)
Profit from continuing operations	11,847	23,343	58,875	47,207
Profit from discontinuing operations	937	142	2,436	2,893
Profit from discontinued operations	6,764	213,530	3,381	219,450
<b>Profit for the financial period</b>	<b>19,548</b>	<b>237,015</b>	<b>64,692</b>	<b>269,550</b>
<b>Attributable to:</b>				
Owners of the parent				
- from continuing operations	10,323	23,344	55,079	47,207
- from discontinuing operations	710	155	1,868	2,165
- from discontinued operation	7,362	213,905	4,655	218,078
	<b>18,395</b>	<b>237,404</b>	<b>61,602</b>	<b>267,450</b>
Non-controlling interest	1,153	(389)	3,090	2,100
<b>Profit for the financial period</b>	<b>19,548</b>	<b>237,015</b>	<b>64,692</b>	<b>269,550</b>
<b>Earnings per share attributable to equity holders of the Company</b>				
Basic (sen)				
- from continuing operations	1.69	3.83	9.02	7.75
- from discontinuing operations	0.12	0.03	0.31	0.35
- from discontinued operation	1.21	35.05	0.76	35.75
	<b>3.01</b>	<b>38.91</b>	<b>10.09</b>	<b>43.85</b>
Diluted (sen)				
- from continuing operations	1.69	3.82	9.02	7.75
- from discontinuing operations	0.12	0.03	0.31	0.35
- from discontinued operation	1.21	35.04	0.76	35.74
	<b>3.01</b>	<b>38.89</b>	<b>10.09</b>	<b>43.84</b>

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of a subsidiary, Macro Kiosk Berhad, see Note A11 for details.
2. The discontinued operations is in relation to the disposal of a subsidiary, Manax Limited, see Note A11 for details.

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD****Condensed Consolidated Statements of Comprehensive Income**

For the financial period ended 31 October 2012

*(The figures have not been audited)*

	<b>Current Year Quarter 31.10.12 RM'000</b>	Preceding Year Quarter 31.10.11 RM'000	<b>Current Year To-Date 31.10.12 RM'000</b>	Preceding Year To-Date 31.10.11 RM'000
		(Restated)		(Restated)
<b>Profit for the financial period</b>	<b>19,548</b>	<b>237,015</b>	<b>64,692</b>	<b>269,550</b>
<b>Other comprehensive income</b>				
Available-for-sale financial assets				
- Fair value gain	5,049	39	9,969	693
- Reclassification upon disposal	-	-	-	(533)
Currency translation differences	192	1,663	(496)	(131)
<b>Other comprehensive income for the financial period, net of tax</b>	<b>5,241</b>	<b>1,702</b>	<b>9,473</b>	<b>29</b>
<b>Total comprehensive income for the financial period</b>	<b>24,789</b>	<b>238,717</b>	<b>74,165</b>	<b>269,579</b>
<b>Attributable to:</b>				
Owners of the parent				
- from continuing operations	15,649	24,805	64,918	47,236
- from discontinuing operations	656	490	1,826	2,334
- from discontinued operations	7,361	213,867	4,655	218,203
Non-controlling interest	1,123	(445)	2,766	1,806
<b>Total comprehensive income for the financial period</b>	<b>24,789</b>	<b>238,717</b>	<b>74,165</b>	<b>269,579</b>

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of a subsidiary, Macro Kiosk Berhad, see Note A11 for details.
2. The discontinued operations is in relation to the disposal of a subsidiary, Manax Limited, see Note A11 for details.

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD**  
**Condensed Consolidated Statements of Financial Position**

As at 31 October 2012

*(The figures have not been audited)*

	31.10.2012 RM'000	31.1.2012 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	341,879	382,331
Intangible assets	61	346
Associate	1,087,733	1,009,895
Available-for-sale financial assets	-	241
Concession receivables	44,197	38,465
Deferred tax assets	1,953	1,954
	<b>1,475,823</b>	<b>1,433,232</b>
<b>Current Assets</b>		
Inventories	1,099	4,633
Available-for-sale financial assets	66,455	14,519
Financial assets at fair value through profit or loss	17,385	11,528
Derivative financial assets	1,410	2,977
Concession receivables	6,785	9,157
Amount owing from an associate	109	130
Trade and other receivables	14,412	29,532
Tax recoverable	3,740	2,656
Deposits, cash and bank balances	83,715	159,406
	<b>195,110</b>	<b>234,538</b>
Assets held-for-sale	73,543	64,807
	<b>268,653</b>	<b>299,345</b>
<b>Total Assets</b>	<b>1,744,476</b>	<b>1,732,577</b>
<b>Equity and Liabilities</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	610,494	610,368
Share premium	103,221	103,142
Treasury shares	(22,997)	-
Exchange fluctuation reserve	(4,821)	1,432
Share options reserve	-	30
Available-for-sale reserve	18,701	8,732
Retained earnings	710,870	645,939
	<b>1,415,468</b>	<b>1,369,643</b>
Non-controlling interests	31,030	27,206
<b>Total Equity</b>	<b>1,446,498</b>	<b>1,396,849</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	5,962	5,872
Hire-purchase and finance lease payables	-	30
Interest-bearing bank borrowings	93,199	92,033
Deferred revenue	91	9,563
	<b>99,252</b>	<b>107,498</b>
<b>Current Liabilities</b>		
Trade and other payables	39,064	49,529
Deferred revenue	1,815	2,416
Current tax liabilities	3,215	333
Hire-purchase and finance lease payables	37	40
Interest-bearing bank borrowings	99,565	129,647
	<b>143,696</b>	<b>181,965</b>
Liabilities directly associated with assets held-for-sale	55,030	46,265
	<b>198,726</b>	<b>228,230</b>
<b>Total Liabilities</b>	<b>297,978</b>	<b>335,728</b>
<b>Total Equity and Liabilities</b>	<b>1,744,476</b>	<b>1,732,577</b>
<b>Net assets per share attributable to ordinary equity holders of the Company</b>	<b>2.32</b>	<b>2.24</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD**
**Condensed Consolidated Statements of Changes in Equity**

For the financial period ended 31 October 2012

(The figures have not been audited)

	Attributable to equity holders of the Parent										
	Share Capital RM'000	Treasury Shares RM'000	Irredeemable Convertible Non- Cumulative Preference Shares RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Available-for- sale reserve RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>At 1 February 2012</b>	610,368	-	-	103,142	1,432	8,732	30	645,939	1,369,643	27,206	1,396,849
<b>Comprehensive income</b>											
Profit for the financial period	-	-	-	-	-	-	-	61,602	61,602	3,090	64,692
<b>Other comprehensive income</b>											
Available-for-sale financial assets	-	-	-	-	-	9,969	-	-	9,969	-	9,969
Currency translation differences	-	-	-	-	(172)	-	-	-	(172)	(324)	(496)
<b>Total other comprehensive income</b>	-	-	-	-	(172)	9,969	-	-	9,797	(324)	9,473
<b>Total comprehensive income for the financial period</b>	-	-	-	-	(172)	9,969	-	61,602	71,399	2,766	74,165
<b>Transactions with owners</b>											
Issuance of shares - ESOS	126	-	-	79	-	-	(30)	-	175	-	175
Share buy back	-	(22,997)	-	-	-	-	-	-	(22,997)	-	(22,997)
Disposal of a subsidiary	-	-	-	-	(6,081)	-	-	6,081	-	(1,694)	(1,694)
Changes in ownership interests in subsidiaries, that do not result in loss of control	-	-	-	-	-	-	-	(2,752)	(2,752)	2,752	-
<b>Transactions with owners</b>	126	(22,997)	-	79	(6,081)	-	(30)	3,329	(25,574)	1,058	(24,516)
<b>At 31 October 2012</b>	610,494	(22,997)	-	103,221	(4,821)	18,701	-	710,870	1,415,468	31,030	1,446,498
<b>At 1 February 2011</b>											
As previously reported	609,681	-	3,500	169,344	1,077	3,766	117	386,829	1,174,314	18,581	1,192,895
Reclassification	-	-	(3,500)	(66,548)	-	-	-	-	(70,048)	70,048	-
As restated	609,681	-	-	102,796	1,077	3,766	117	386,829	1,104,266	88,629	1,192,895
<b>Comprehensive income</b>											
Profit for the financial period	-	-	-	-	-	-	-	267,450	267,450	2,100	269,550
<b>Other comprehensive income</b>											
Available-for-sale financial assets	-	-	-	-	-	160	-	-	160	-	160
Currency translation differences	-	-	-	-	163	-	-	-	163	(294)	(131)
<b>Total other comprehensive income</b>	-	-	-	-	163	160	-	-	323	(294)	29
<b>Total comprehensive income for the financial period</b>	-	-	-	-	163	160	-	267,450	267,773	1,806	269,579
<b>Transactions with owners</b>											
Issuance of shares - ESOS	548	-	-	189	-	-	(58)	-	679	-	679
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(14,895)	(14,895)
Final dividend paid by the Company	-	-	-	-	-	-	-	(7,622)	(7,622)	-	(7,622)
Final dividend paid by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	-	(87)	(87)
Deemed gain on dilution of interests in a subsidiary	-	-	-	-	-	-	-	48,614	48,614	(48,614)	-
<b>Transactions with owners</b>	548	-	-	189	-	-	(58)	40,992	(6,943)	(63,596)	(21,925)
<b>At 31 October 2011</b>	610,229	-	-	102,985	1,240	3,926	59	695,271	1,365,096	26,839	1,440,549

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

**GOLDIS BERHAD****Condensed Consolidated Statement of Cash Flows**

For the financial period ended 31 October 2012

*(The figures have not been audited)*

	Current Year 31.10.2012 RM'000	Preceding Year 31.10.2011 RM'000
		(Restated)
<b>Operating Activities</b>		
Cash receipts from customers	93,752	6,242
Cash paid to suppliers and employees	(56,847)	(20,351)
Cash generated from operations	36,905	(14,109)
Dividends received	10,323	30,329
Interests received	3,497	1,158
Interests paid	(7,613)	(9,500)
Taxation paid	(4,350)	(2,817)
Operating activities cash flow from continuing operations	38,762	5,061
Operating activities cash flow from discontinuing operations	3,906	8,784
Operating activities cash flow from discontinued operations	(3,946)	13,139
<b>Net cash flow generated from operating activities</b>	<b>38,722</b>	<b>26,984</b>
<b>Investing Activities</b>		
Additional investment in a subsidiary	-	(10,500)
Proceed from disposal of a subsidiary -net	40	275,317
Additional investment in an associate	(36,015)	(1,196)
Additional investment in quoted investment	(54,685)	(15,284)
Proceed from disposal of quoted investments	5,171	4,722
Additional investment in derivative financial assets	(9,058)	-
Proceed from disposal of derivative financial assets	10,866	1,954
Purchase of property, plant and equipments	(6,036)	(23,544)
Repayment to an associate	20	(20)
Investing activities cash flow from continuing operations	(89,697)	231,449
Investing activities cash flow from discontinuing operations	(1,559)	(2,023)
Investing activities cash flow from discontinued operations	(278)	(2,378)
<b>Net cash flow (used in)/ generated from investing activities</b>	<b>(91,534)</b>	<b>227,048</b>
<b>Financing Activities</b>		
Proceeds from issuance of shares arising from exercise of ESOS	176	605
Purchase of treasury shares	(22,997)	-
Proceeds from bank borrowings	-	16,550
Repayment of bank borrowings	-	(68,350)
Payments of hire-purchase and finance lease liabilities (net)	(33)	(373)
Dividend paid by the Company	-	(7,622)
Financing activities cash flow from continuing operations	(22,854)	(59,190)
Financing activities cash flow from discontinuing operations	(1,997)	(3,673)
Financing activities cash flow from discontinued operations	1,761	(2,302)
<b>Net cash flow used in financing activities</b>	<b>(23,090)</b>	<b>(65,165)</b>
Net (decrease)/increase in cash and cash equivalents during the financial period	(75,902)	186,912
Currency translation differences	211	301
Cash and cash equivalents at beginning of the financial period	158,116	63,779
<b>Cash and cash equivalents at end of the financial period</b>	<b>82,425</b>	<b>250,992</b>
Cash and cash equivalents at end of the financial period comprise of the following:		
Deposits with licensed banks	77,436	211,789
Short term investments with licensed bank	-	144
Cash and bank balances	6,279	40,390
	83,715	252,323
Less: Bank overdrafts	-	(41)
	83,715	252,282
Less: Deposits pledged as securities for borrowings	(1,290)	(1,290)
<b>Cash and cash equivalents at end of the financial period</b>	<b>82,425</b>	<b>250,992</b>

**Note:**

1. The discontinuing operations is in relation to the proposed divestment of a subsidiary, Macro Kiosk Berhad, see Note A11 for details.
2. The discontinued operations is in relation to the disposal of a subsidiary, Manax Limited, see Note A11 for details.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

# GOLDIS BERHAD

## Notes to the Interim Financial Report

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### A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

#### A1. Accounting Policies and Methods of Computation

The interim financial report are unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 January 2012. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 January 2012, except for the followings:

- Amendment to FRS 112 "Income taxes"
- IC Interpretation 19 "Extinguishing financial liabilities with equity instruments"
- Amendments to FRS 1 "First-time Adoption of Financial Reporting Standards - severe hyperinflation and removal of fixed dates for first-time adopters"
- Amendments to FRS 7 "Financial Instruments: Disclosures on transfers of financial assets"

The adoption of the other new and revised FRSs, IC Interpretations and Amendments has no significant impact to the Group's consolidated financial statements of the current quarter or the comparative consolidated financial statements of the prior financial year.

Certain comparative figures presented in the income statement and statement of cash flow have been restated. The amount relating to the proposed disposal of a subsidiary and disposed subsidiary have been separately disclosed under discontinuing and discontinued operations respectively according to FRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

#### A2. Explanatory Comments about the Seasonality or Cyclicity of Interim Operations

The Group's operations were not materially affected by seasonal or cyclical factors.

#### A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows.

#### A4. Material Changes in Estimates

There were no changes in estimates that have had material effect in the current financial year result.

#### A5. Capital Management, Issuances, Repurchases, and Repayment of Debt and Equity Securities

Shares repurchased during the current financial year to-date were as follows:-

<b>Purchased Date</b>	<b>No. of shares</b>	<b>Lowest Price RM</b>	<b>Highest Price RM</b>	<b>Cost RM</b>
Purchased in July 2012	704,100	2.05	2.05	1,448,569
Purchased in August 2012	1,389,000	2.05	2.05	2,857,587
Purchased in Sep 2012	6,176,600	2.01	2.04	12,639,784
Purchased in Oct 2012	2,999,900	2.01	2.02	6,051,581
<b>As at 31 October 2012</b>	<b>11,269,600</b>			<b>22,997,521</b>
Purchased in November 2012	4,879,500	2.01	2.01	9,840,994
Purchased in December 2012	7,200	2.01	2.01	14,578
<b>As at reporting date</b>	<b>16,156,300</b>			<b>32,853,093</b>

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial period.

#### A6. Dividends Paid

There was no payment of dividend during the financial period ended 31 October 2012.





# GOLDIS BERHAD

## Notes to the Interim Financial Report

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### A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

#### A8. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period up to the date of this report.

#### A9. Effects of Changes in the Composition of the Group

On 28 March 2012, the Board of Directors of Goldis Berhad ("Goldis") announced that Goldis has acquired the entire issue and paid up capital in Triple Hallmark Sdn Bhd ("THSB") comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00 resulting THSB becoming a wholly-owned subsidiary of Goldis.

On 3 October 2012, the Board of Directors of Goldis announced that its wholly-owned subsidiary, GoldChina Sdn Bhd has disposed of the entire issue and paid up capital of Manax Limited, comprising 2 ordinary shares of RM1.00 each for a cash consideration of HKD100,000 (equivalent to RM40,300). On the same day, the disposal had been completed and ceased to be a subsidiary of Goldis.

#### A10. Capital Commitments

Authorised capital commitments not recognised in the interim financial statements as at 31 October 2012 are as follows:

	RM'000
Approved and contracted for:	
- Property, plant and equipment	7,300
Approved but not contracted for:	
- Property, plant and equipment	3,000
	<u>10,300</u>

#### A11. Note to Discontinuing & Discontinued Operations

- (a) Macro Kiosk Berhad ("MKB"), a 70% owned subsidiary, obtained the approval from the Board to dispose on 14 December, 2011. Hence, the results from MKB is presented separately on the consolidated statement of comprehensive income as "Discontinuing operation" and assets and liabilities related to MKB have been presented as held for sale as at 31 October, 2012.

Financial performance and cash flow information presented for the period ended 31 October, 2012:

##### Discontinuing operations:

	RM'000
Revenue	101,274
Cost of sales	<u>(80,323)</u>
Gross profit	20,951
Other income	248
Expenses	<u>(18,582)</u>
Profit before taxation	2,617
Taxation	<u>(181)</u>
Profit after taxation from discontinuing operations	<u>2,436</u>
Net cash generated from ordinary activities	3,906
Net cash used in investing activities	(1,559)
Net cash used in financing activities	<u>(1,997)</u>
	<u>350</u>

The carrying amounts of assets and liabilities as at 31 October, 2012 were:

	MKB RM'000
<u>Assets held-for-sale</u>	
Property, plant & equipment	3,037
Intangible assets	1,870
Deferred tax assets	97
Inventories	18
Trade & other receivables	49,083
Deposits, cash and bank balances	<u>19,438</u>
	<u>73,543</u>
<u>Liabilities directly associated with assets held-for-sale</u>	
Trade and other payables	50,122
Tax liabilities	408
Borrowings	4,500
	<u>55,030</u>

# GOLDIS BERHAD

## Notes to the Interim Financial Report

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### A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements

#### A11. Note to Discontinuing & Discontinued Operations (cont'd)

- (b) On 3 October 2012, the Company's wholly-owned subsidiary, GoldChina Sdn Bhd has disposed of the entire issue and paid up capital of Manax Limited ("Manax"). The results from Manax is presented separately on the consolidated statement of comprehensive income as "Discontinued operation" up to the date of disposal.

Financial performance and cash flow information presented for the period ended 31 October, 2012:

#### Discontinued operations:

	RM'000
Revenue	25,878
Cost of sales	<u>(27,358)</u>
Gross profit	(1,480)
Other income	155
Expenses	<u>(5,052)</u>
Profit before taxation	(6,377)
Taxation	-
Profit after taxation from discontinued operations	<u>(6,377)</u>
Gain on disposal of subsidiary	<u>9,758</u>
Total gain from discontinued operations	<u>3,381</u>
Net cash used in ordinary activities	(3,946)
Net cash used in investing activities	(278)
Net cash generated from financing activities	<u>1,761</u>
	<u>(2,463)</u>

## **GOLDIS BERHAD**

### Notes to the Interim Financial Report

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#### **B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

##### **B1. Review of Performance**

###### **Property Investment and Development ("Property")**

GTower is widely recognised as an office building of exceptional quality and is performing well, with revenue of RM12.5 million in the current quarter compared to RM6.7 million in the corresponding quarter last year. The segment's Profit Before Tax ("PBT") declined by RM9.8 million for the current quarter due to lower contribution from its associate.

For the nine months ended 31 October 2012, improvement in occupancy rate from 84.1% to 94.6% has contributed to an increase in revenue and PBT over the same period last year. Operating profit from this segment has gone up to RM65.6 million, representing an increase of 23%.

###### **Information and Communication Technology ("ICT")**

ICT segment recorded a higher revenue of RM4.5 million for the quarter under review despite intense competition. However, PBT declined due to higher operating expenses.

For the nine months in 2012, the performance of ICT segment remains stable with revenue and PBT of RM12.0 million and RM2.7 million respectively.

###### **Waste Water Treatment**

For the quarter under review, the Waste Water Treatment segment achieved a revenue of RM2.2 million and losses of RM0.2 million in compliance with the IC Interpretation 12 ("IC12") accounting treatment.

Likewise in compliance with the IC Interpretation 12 ("IC12") accounting treatment, the Waste Water Treatment segment recorded revenue and PBT of RM7.3 million and RM0.9 million respectively for the nine months period in 2012.

###### **Aquaculture**

For the third quarter, the Aquaculture segment achieved a revenue of RM0.4 million, buoyed by the trading of fish fry. Losses in the Aquaculture segment has declined sharply due to continuous cost reduction efforts during the quarter.

The higher demand for Grouper fish fries has resulted in an increase of 118% in revenue for the nine month period. The successful execution of cost management initiatives has been the key success factor in reducing the losses from RM3.9 million last year to RM2.1 million this year.

###### **Hotel**

The third quarter of 2012 proved to be a strong quarter as there is no decline in demand for room nights, with revenue up by 4% to RM7.1 million. However, operating expenses as a percentage of revenue increase from a year ago. Consequently, a loss of RM0.7 million was reported in this quarter as compared to RM0.3 million last year.

For the nine months ended 31 October 2012, Hotel segment enjoyed robust occupancy for its rooms and food and beverage operations with revenue up by 30% to RM21.8 million. For the same reason, PBT for the period was RM2.7 million higher compared to the corresponding period last year.

##### **B2. Comparison with Preceding Quarter's Results**

The Group profit before taxation from continuing operations for the current quarter decreased from RM26.0 million to RM12.9 million due to lower contribution from the Property Investment and Development segment.

## GOLDIS BERHAD

### Notes to the Interim Financial Report

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#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

##### B3. Current Year Prospect

###### Property Investment and Development ("Property")

The 30-storey GTower has been extremely well-received by the market, achieving a 94% occupancy rate. Kuala Lumpur's office market is expected to remain competitive with a substantial amount of office space scheduled to come on stream this year. Although occupancy levels are sustainable, office yields could decline as key tenants negotiate for lower rental rates upon renewal.

For the Group's investment in its associate, it is expected to record a significant improvement mainly supported by stronger operating performances of IGB's businesses.

###### Information and Communication Technology ("ICT")

The continuing demand for high-speed connectivity will keep things exciting for the industry. It has become a highly competitive market, with some of the broadband providers cutting prices to gain market share. The competitive landscape continues to evolve with the entry of new players into the market. Revenue is expected to grow, driven by increasing demand for a richer user experience, availability of more smartphone varieties and also better affordability. The company is also looking at new technologies, better policy management, bandwidth optimisation to strengthen its position.

###### Waste Water Treatment

Given the critical importance of water in China, the Government has made clean water a major priority, including investing in wastewater treatment, improving water efficiency, and ensuring adequate water supply. The Government is taking proactive measures, one of which is to invest in environmental protection programs, focusing on water, drinking water and air pollution control. China is opening its environmental protection industries to overseas investors and expects the sector to grow at an annual rate of 14 to 17% in the next 10 to 15 years. Wastewater treatment industry is a sunrise industry, and the development prospect is very broad.

###### Aquaculture

In the past, fish were harvested from oceans and rivers. There has been a growing trend towards "full-cycle" aquaculture with hatcheries and sourcing fish from hatcheries. This is a positive development and is identified as a lucrative business.

###### Hotel

With the Government seeking to enhance various sector-specific initiatives that focus on high-yield visitors, in particular business and medical tourism, GTower Hotel remained optimistic that performance levels would show steady growth.

##### B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee

The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial year.

##### B5. Statement by Directors

The Group did not disclose or announce any profit forecast or projection in any public document in the current quarter or prior financial year. In the Board of Directors' opinion, the internal targets set by management for the remaining period of the current financial year ending 31 January 2013 are likely to be achieved.

##### B6. Taxation

	Current Quarter RM'000	Current YTD RM'000
Current tax:		
Malaysian tax	1,051	6,463
Foreign tax	-	-
	<u>1,051</u>	<u>6,463</u>
Deferred Tax	(10)	84
	<u>1,041</u>	<u>6,547</u>

The effective income tax expense of the Group for the current quarter is lower than the statutory tax rate due to certain income not being subject to tax, utilisation of unutilised tax losses brought forward, and unabsorbed capital allowances in certain subsidiaries.

## GOLDIS BERHAD

### Notes to the Interim Financial Report

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#### B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

##### B7. Status of Corporate Proposals

There were no corporate proposals announced during the quarter.

##### B8. Details of Group Borrowings and Debt Securities

The Groups' borrowings and debts securities as at 31 October 2012 are as follows:

	Total RM'000
<b>Current</b>	
Revolving credits (secured)	99,565
<b>Non-current</b>	
Term loans (secured)	93,199
<b>Total</b>	<b>192,764</b>

The currency exposure profile of bank borrowings is as follows:

	Local currency (in '000)	RM equivalent (in '000)
Ringgit Malaysia	184,659	184,659
US Dollar	2,600	8,105
		<b>192,764</b>

##### B9. Changes in Material Litigations

As at the reporting date, there were no pending material litigations since the last financial year ended 31 January 2012 and up to the reporting date.

##### B10. Proposed Dividends

The Directors have not proposed any dividend for the current financial period under review.

##### B11. Earnings Per Share

The basic earnings per share of the Group is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Current Quarter	Current YTD
Net profit attributable to ordinary equity holders of the Company (RM'000)		
- from continuing operations	10,323	55,079
- from discontinuing operations	710	1,868
- from discontinued operations	7,362	4,655
	<b>18,395</b>	<b>61,602</b>
Weighted average no. of ordinary shares in issue ('000)	610,494	610,484
Basic earnings per share (sen)		
- from continuing operations	1.69	9.02
- from discontinuing operations	0.12	0.31
- from discontinued operations	1.21	0.76
	<b>3.01</b>	<b>10.09</b>

**GOLDIS BERHAD**

## Notes to the Interim Financial Report

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B12. Notes to Statements of Comprehensive income**

	Current Quarter RM'000	Current YTD RM'000
(a) Interest income	2,455	4,965
(b) Other income including investment income	237	1,309
(c) Interest expenses	2,556	7,613
(d) Depreciation and amortisation	7,131	17,582
(e) Allowance for and write off of receivables	-	-
(f) Allowance for and write off of inventories	-	-
(g) Gain/(loss) on disposal of quoted/unquoted investment or properties	63	528
(h) Impairment of assets	-	-
(i) Foreign exchange gain/(loss)	-	-
(j) Gain/(loss) on derivatives	-	-
(k) Exceptional items	-	-

**B13. Realised and Unrealised Retained Earnings**

	As at 31.10.2012 RM'000	As at 31.1.2012 RM'000
Total Retained Profits		
- Realised	344,023	325,663
- Unrealised	(4,052)	(3,479)
	<u>339,971</u>	<u>322,184</u>
Total Share of Retained Profits from Associate		
- Realised	461,779	405,711
- Unrealised	(42,003)	(38,081)
	<u>759,747</u>	<u>689,814</u>
Less: Consolidation Adjustments	(48,877)	(43,875)
Total Retained Profits	<u>710,870</u>	<u>645,939</u>

**B14. Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the year ended 31 January 2012 did not contain any qualification.