

# **GOLDIS BERHAD**

## **Interim Financial Report**

For the financial period ended 30 June 2016

---

### **CONTENTS**

---

#### **Condensed Consolidated Income Statement**

#### **Condensed Consolidated Statement of Comprehensive Income**

#### **Condensed Consolidated Statement of Financial Position**

#### **Condensed Consolidated Statement of Changes in Equity**

#### **Condensed Consolidated Statement of Cash Flows**

#### **Part A**

#### **Compliance with Malaysian Financial Reporting Standard (MFRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

- A1. Accounting Policies and Methods of Computation
- A2. Explanatory Comments about the Seasonality or Cyclicalities of Interim Operations
- A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows
- A4. Material Changes in Estimates
- A5. Capital Management, Issuances, Repurchases, and Repayment of Debt and Equity Securities
- A6. Dividends Paid
- A7. Operating Segment Reporting
- A8. Material Events Subsequent to the End of the Interim Period
- A9. Effects of Changes in the Composition of the Group
- A10. Capital Commitments
- A11. Fair Value of Financial Instruments

#### **Part B**

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

- B1. Review of Performance
  - B2. Comparison with Preceding Quarter's Results
  - B3. Commentary on Prospects for the Remaining Period of the Current Financial Year
  - B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee
  - B5. Statement by Directors
  - B6. Taxation
  - B7. Status of Corporate Proposals
  - B8. Details of Group Borrowings and Debt Securities
  - B9. Changes in Material Litigations
  - B10. Proposed Dividends
  - B11. Earnings Per Share
  - B12. Notes to Statements of Comprehensive Income
  - B13. Realised and Unrealised Retained Earnings
  - B14. Audit Report Qualification and Status of Matters Raised
-

**GOLDIS BERHAD**  
**Condensed Consolidated Income Statements**

For the financial period ended 30 June 2016

(The figures have not been audited)

	Current Year Quarter 30.6.2016 RM'000	Preceding Year Quarter 30.6.2015 RM'000	Current Year To-Date 30.6.2016 RM'000	Preceding Year To-Date 30.6.2015 RM'000
Revenue	287,639	294,544	592,547	660,045
Cost of sales	(142,274)	(123,198)	(288,874)	(292,656)
Gross profit	145,365	171,346	303,673	367,389
Other operating income	14,577	5,947	20,058	19,703
Administrative expenses	(55,777)	(75,061)	(115,197)	(140,584)
Other operating expenses	(8,049)	(5,895)	(16,709)	(12,478)
Profit from operations	96,116	96,337	191,825	234,030
Finance income	9,373	14,280	19,640	23,166
Finance costs	(33,347)	(34,055)	(68,312)	(71,530)
Share of results of associates and joint ventures	6,012	20,896	25,321	33,282
Profit before taxation	78,154	97,458	168,474	218,948
Tax expense	(13,697)	(29,328)	(29,789)	(63,231)
<b>Profit for the financial period</b>	<b>64,457</b>	<b>68,130</b>	<b>138,685</b>	<b>155,717</b>
<b>Attributable to:</b>				
Owners of the parent	21,933	24,995	52,946	58,383
Non-controlling interests	42,524	43,135	85,739	97,334
<b>Profit for the financial period</b>	<b>64,457</b>	<b>68,130</b>	<b>138,685</b>	<b>155,717</b>
<b>Earnings per share attributable to equity holders of the Company (sen)</b>				
Basic	3.61	4.11	8.71	9.61
Diluted	2.83	3.21	6.76	8.03

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

For the financial period ended 30 June 2016

*(The figures have not been audited)*

	<b>Current Year Quarter 30.6.2016 RM'000</b>	Preceding Year Quarter 30.6.2015 RM'000	<b>Current Year To-Date 30.6.2016 RM'000</b>	Preceding Year To-Date 30.6.2015 RM'000
<b>Profit for the financial period</b>	<b>64,457</b>	68,130	<b>138,685</b>	155,717
<b>Other comprehensive income/(loss):</b>				
Currency translation differences				
- equity holders	<b>(7,065)</b>	17,504	<b>(60,388)</b>	28,113
- non-controlling interests	<b>(2,412)</b>	6,144	<b>(19,895)</b>	8,555
Available-for-sale financial assets				
- net change in fair value	-	-	-	(2,248)
Items that may be subsequently reclassified to profit or loss	<b>(9,477)</b>	23,648	<b>(80,283)</b>	34,420
<b>Total comprehensive income for the financial period</b>	<b>54,980</b>	91,778	<b>58,402</b>	190,137
<b>Attributable to:</b>				
Owners of the parent	<b>14,869</b>	42,498	<b>(7,441)</b>	84,247
Non-controlling interests	<b>40,111</b>	49,280	<b>65,843</b>	105,890
<b>Total comprehensive income for the financial period</b>	<b>54,980</b>	91,778	<b>58,402</b>	190,137

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

As at 30 June 2016

*(The figures have not been audited)*

	30.6.2016 RM'000	31.12.2015 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,387,055	2,466,317
Inventories	312,845	309,935
Investment properties	2,496,899	2,451,063
Long term prepaid lease	3,693	4,065
Intangible assets	33,427	33,907
Biological assets	162	242
Associates and joint ventures	852,092	948,488
Available-for-sale financial assets	30,528	17,579
Concession receivables	90,488	97,746
Deferred tax assets	2,039	1,548
	<b>6,209,228</b>	<b>6,330,890</b>
<b>Current Assets</b>		
Inventories	483,683	472,755
Financial assets at fair value through profit or loss	17,673	21,185
Concession receivables	3,017	3,285
Amount owing from associates and joint ventures	61,979	46,786
Receivables and contract assets	316,515	211,996
Tax recoverable	21,286	5,914
Cash held under Housing Development Accounts	41,959	23,931
Deposits, cash and bank balances	1,038,439	1,116,690
	<b>1,984,551</b>	<b>1,902,542</b>
<b>Assets classified as held-for-sale</b>	<b>36,367</b>	<b>35,190</b>
	<b>2,020,918</b>	<b>1,937,732</b>
<b>Total Assets</b>	<b>8,230,146</b>	<b>8,268,622</b>
<b>Equity and Liabilities</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	610,650	610,494
Share premium	32,540	32,340
Treasury shares	(5,722)	(5,722)
Redeemable Convertible Cumulative Preference Shares	367,363	367,650
Other reserves	26,321	86,709
Retained earnings	1,393,388	1,346,410
	<b>2,424,540</b>	<b>2,437,881</b>
Non-controlling interests	1,222,569	1,248,004
<b>Total Equity</b>	<b>3,647,109</b>	<b>3,685,885</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Payables and contract liabilities	77,849	89,297
Deferred tax liabilities	175,909	188,842
Redeemable Convertible Cumulative Preference Shares	57,076	64,085
Hire-purchase and finance lease payables	58	80
Interest bearing bank borrowings	2,554,148	2,577,964
	<b>2,865,040</b>	<b>2,920,268</b>
<b>Current Liabilities</b>		
Payables and contract liabilities	617,962	515,850
Amount owing to associates	4	1,717
Current tax liabilities	107,783	98,951
Redeemable Convertible Cumulative Preference Shares	14,271	14,271
Hire-purchase and finance lease payables	44	44
Interest bearing bank borrowings	977,933	1,031,636
	<b>1,717,997</b>	<b>1,662,469</b>
<b>Total Liabilities</b>	<b>4,583,037</b>	<b>4,582,737</b>
<b>Total Equity and Liabilities</b>	<b>8,230,146</b>	<b>8,268,622</b>
<b>Net assets per share attributable to ordinary equity holders of the Company</b>	<b>3.99</b>	<b>4.01</b>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 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 30 June 2016

*(The figures have not been audited)*

	Attributable to owners of the parent							Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Redeemable Convertible Cumulative Preference Shares RM'000	Other Reserves RM'000	Retained Earnings RM'000	Total RM'000		
<b>At 1 January 2016</b>	<b>610,494</b>	<b>32,340</b>	<b>(5,722)</b>	<b>367,650</b>	<b>86,709</b>	<b>1,346,410</b>	<b>2,437,881</b>	<b>1,248,004</b>	<b>3,685,885</b>
<b><u>Comprehensive income</u></b>									
Profit for the financial period	-	-	-	-	-	52,946	52,946	85,739	138,685
Other comprehensive income	-	-	-	-	(60,388)	-	(60,388)	(19,895)	(80,283)
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(60,388)</b>	<b>52,946</b>	<b>(7,442)</b>	<b>65,844</b>	<b>58,402</b>
<b><u>Transactions with owners</u></b>									
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	156	200	-	(287)	-	-	69	-	69
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(94,740)	(94,740)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	-	(5,968)	(5,968)	3,461	(2,507)
<b>Total transactions with owners</b>	<b>156</b>	<b>200</b>	<b>-</b>	<b>(287)</b>	<b>-</b>	<b>(5,968)</b>	<b>(5,899)</b>	<b>(91,279)</b>	<b>(97,178)</b>
<b>At 30 June 2016</b>	<b>610,650</b>	<b>32,540</b>	<b>(5,722)</b>	<b>367,363</b>	<b>26,321</b>	<b>1,393,388</b>	<b>2,424,540</b>	<b>1,222,569</b>	<b>3,647,109</b>
<b>At 1 January 2015</b>	<b>610,494</b>	<b>32,340</b>	<b>(5,722)</b>	<b>-</b>	<b>18,805</b>	<b>1,260,140</b>	<b>1,916,057</b>	<b>1,251,220</b>	<b>3,167,277</b>
<b><u>Comprehensive income</u></b>									
Profit for the financial period	-	-	-	-	-	58,383	58,383	97,334	155,717
Other comprehensive income	-	-	-	-	25,865	-	25,865	8,555	34,420
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,865</b>	<b>58,383</b>	<b>84,248</b>	<b>105,889</b>	<b>190,137</b>
<b><u>Transactions with owners</u></b>									
Issuance of Redeemable Convertible Cumulative Preference Shares	-	-	-	367,650	-	-	367,650	-	367,650
Options granted to executives of the subsidiary	-	-	-	-	8,094	-	8,094	2,946	11,040
Acquire of subsidiary from non-controlling interests	-	-	-	-	-	-	-	30	30
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(113,298)	(113,298)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	-	(5,860)	(5,860)	5,860	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>367,650</b>	<b>8,094</b>	<b>(5,860)</b>	<b>369,884</b>	<b>(104,462)</b>	<b>265,422</b>
<b>At 30 June 2015</b>	<b>610,494</b>	<b>32,340</b>	<b>(5,722)</b>	<b>367,650</b>	<b>52,764</b>	<b>1,312,663</b>	<b>2,370,189</b>	<b>1,252,647</b>	<b>3,622,836</b>

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 2015 and the accompanying explanatory notes attached to the interim financial statements.

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

For the financial period ended 30 June 2016

*(The figures have not been audited)*

	Current Year 30.6.2016 RM'000	Preceding Year 30.6.2015 RM'000
<b>Operating Activities</b>		
Cash receipts from customers	542,814	673,284
Cash paid to suppliers and employees	(205,651)	(337,341)
Cash flows from operations	337,163	335,943
Interests paid	(70,522)	(68,530)
Tax refund	-	1,589
Income taxes paid	(49,331)	(49,481)
<b>Net cash generated from operating activities</b>	<b>217,310</b>	<b>219,521</b>
<b>Investing Activities</b>		
Investment in associates	(1,168)	-
Additional investment in available-for-sale financial assets	(12,949)	-
Additional investment in financial assets at fair value through profit or loss	(1,724)	(2,733)
Additions in investment properties, land held for property development and property, plant and equipments	(106,155)	(209,998)
Additions in biological assets	(10)	-
Additions in intangible assets	(5)	(176)
Proceed from disposal of financial assets at fair value through profit or loss	-	8,566
Proceed from disposal of financial land held for property development	-	6,518
Advances to associates & joint ventures - net	(14,199)	-
Repayment of advances from associates	-	19,085
Deposit released by/(pledged with) license bank	291,158	(6,173)
Capital repayment to non-controlling interests of subsidiary	(2,494)	-
Dividend received from associates	1,960	-
Interest received	17,308	26,122
<b>Net cash generated/(used in) investing activities</b>	<b>171,722</b>	<b>(158,789)</b>
<b>Financing Activities</b>		
Additional investment in subsidiary from non-controlling interest	(12)	-
Proceeds from issuance of Redeemable Convertible Cumulative Preference Shares ("RCPS")	-	455,727
Expenses relating to issuance of RCPS	-	(1,064)
Dividend paid to holders of RCPS	(9,115)	-
Dividend paid to non-controlling interests	(82,983)	(201,713)
Repayments of borrowings	(85,089)	(598,000)
Proceeds from borrowings	16,505	264,580
Payments of hire-purchase and finance lease liabilities	(22)	(39)
<b>Net cash used in financing activities</b>	<b>(160,716)</b>	<b>(80,509)</b>
Net increase/(decrease) in cash and cash equivalents during the financial period	228,316	(19,777)
Currency translation differences	2,616	(1,112)
Cash and cash equivalents at beginning of the financial period	576,052	744,980
<b>Cash and cash equivalents at end of the financial period</b>	<b>806,984</b>	<b>724,091</b>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

# GOLDIS BERHAD

## Notes to the Interim Financial Report

---

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

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

The interim financial report is unaudited and has been prepared in accordance with MFRS 134, Interim Financial Reporting and paragraph 9.22 of 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 December 2015. 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 December 2015, except for the followings:

- Amendments to MFRS 11 'Joint Arrangements'
- Amendments to MFRS 116 'Property, Plant and Equipment' and MFRS 138 'Intangible Assets'
- Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associate and Joint Ventures'

The adoption of above Amendments to MFRS has no significant impact to the Group's interim financial reports of the current quarter or the comparative consolidated financial statements of the previous financial period.

#### 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 other than as disclosed elsewhere in the notes.

#### A4. Material Changes in Estimates

There were no changes in estimates that have a material effect on the current financial period result.

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

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial period, except as below:-

- (i) Non-cash conversion of 355,650 Redeemable Convertible Cumulative Preference Shares ("RCPS") of RM0.01 each at an issue price of RM1.00 per RCPS into 155,983 ordinary shares of RM1.00 each at a conversion price of RM2.28;
- (ii) The number of treasury shares held as at 30 June 2016 and up to the date of this report remained at 2,858,020 (31.12.2015: 2,858,020) ordinary shares of RM1.00 each.

#### A6. Dividends Paid

The following dividend payment was made during the period in respect of financial year ended 31 December 2015:

	<b>RM'000</b>
A dividend of 2% (based on the issue price of RM1.00) per Redeemable Convertible Cumulative Preference Shares of RM0.01 each under the single tier system has been paid on 12 February 2016	<u>9,115</u>





# GOLDIS BERHAD

## Notes to the Interim Financial Report

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

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

On 15 August 2016, the Group via its subsidiary, IGB Corporation Berhad ("IGB") announced that Great Union Properties Sdn Bhd, a wholly owned subsidiary of IGB, has on 15 August 2016 entered into a conditional sale and purchase agreement with Ventura International Sdn Bhd for the proposed disposal of Renaissance Kuala Lumpur Hotel for a total consideration of RM765.0 million. This proposed disposal is expected to be completed in the first half of 2017.

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

On 19 May 2016, the Group via its subsidiary, IGB Corporation Berhad ("IGB") announced to Bursa Malaysia that its wholly-owned dormant subsidiary, Pekeliling Property Sdn Bhd ("PPSB") had held its Final General Meeting on 19 May 2016 in respect of the members' voluntary winding-up of PPSB and that pursuant to Section 272(5) of the Companies Act 1965, PPSB will be dissolved with effective from 19 August 2016.

#### A10. Capital Commitments

Authorised capital commitments not recognised in the interim financial statements as at 30 June 2016 are as follows:

	RM'000
Approved and contracted for:	
- Investment properties	1,040,971
- Property, plant and equipment	15,415
	<u>1,056,386</u>
Approved but not contracted for:	
- Investment properties	1,819
- Property, plant and equipment	47,796
	<u>49,615</u>

#### A11. Fair Value of Financial Instruments

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The following table presents the Group's financial assets that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets at fair value through profit or loss	17,673	-	-	17,673
Available-for-sale financial assets	-	30,478	50	30,528
	<u>17,673</u>	<u>30,478</u>	<u>50</u>	<u>48,201</u>

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial year ended 31 December 2015.

There have been no transfers between the levels of the fair value hierarchy during the financial period ended 30 June 2016.

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B1. Review of Performance**

The Group's revenue for the 6 months period ended 30 June 2016 decreased by 10.2% to RM592.5 million as compared to RM660.0 million in the corresponding period of the preceding year. The decrease in revenue was mainly due to lower contribution from the property development segment and the property investment - commercial segment.

Our Group recorded lower profit before taxation of RM168.5 million for the 6 months period ended 30 June 2016 as compared to RM218.9 million in the corresponding period of the preceding year. This was mainly due to lower contribution from property development segment as the Group has yet to launch any new development project, the slight decrease in the occupancy rate in the property investment - commercial segment and lower share of results from the associates and joint venture where there was a one-off gain of RM17.2 million on disposal of a property, plant and equipment by an associated company in Australia recorded in the preceding year.

**Property Investment - Retail and Commercial**

The property investment - retail segment represented by IGB REIT, the owner of Midvalley Megamall and The Gardens Mall, registered a slight increase in revenue of RM242.1 million and segmental profit of RM160.6 million for the 6 months period ended 30 June 2016 as compared to the revenue of RM236.0 million and segmental profit of RM160.0 million for the corresponding period of the preceding year, which represented an increase of 2.6% and 0.4% respectively. The increase in revenue and segmental profit were mainly due to higher total rental income.

The property investment - commercial segment recorded revenue of RM85.6 million and segmental profit of RM40.8 million for the 6 months period ended 30 June 2016 as compared to the revenue of RM93.6 million and segmental profit of RM50.0 million for the corresponding period of the preceding year, which was lower by 8.5% and 18.4% respectively. The decrease in segmental revenue and segmental profit was due to a slight decrease in the occupancy of the office towers. Four of the office towers in Mid Valley City are above 90% occupancy whilst the fifth tower, Centrepoint North is currently about 50% occupied as the previous single occupant left in 2015. The occupancy in Plaza Permata, Menara Tan & Tan and GTower are above 80%.

**Property Development**

Our Group's property development segment registered a lower revenue of RM23.6 million and segmental profit of RM3.4 million for the 6 months period ended 30 June 2016 as compared to the revenue of RM 120.4 million and segmental profit of RM35.5 million for the corresponding period of the preceding year, which was lower by 80.4% and 90.4% respectively. The higher revenue and segmental profit for the corresponding period of the preceding year was mainly due to the completion and handed over of the 468 units of service apartments at G Residence in March 2015.

Our Group has taken a more cautious approach in launching new properties. Currently, our Group has two projects in hand which are the 166-unit condominium, known as 328 Tun Razak at Jalan Tun Razak, Kuala Lumpur which was completed in August 2016 and the 31-unit condominium known as Damai Residence in the vicinity of The Ampwalk, Kuala Lumpur which is currently about 35% completed.

**Hotel**

The hotel division registered an increase in revenue of RM194.1 million for the 6 months period ended 30 June 2016 as compared to revenue of RM163.4 million for the corresponding 6 months period of the preceding year, which represented an increase of 18.8% . The improved revenue were mainly from the opening of four new hotels in 2015.

The four new hotels opened in 2015 were 210-room Cititel Express Ipoh, 234-room Cititel Express Penang, 415-room St Giles Wembley Penang and 280-room The Tank Stream St Giles Premier Hotel in Sydney, Australia.

In mid of May 2016, our Group disposed Cititel Express Kuala Lumpur for a cash consideration of RM37.0 million. In July 2016, our Group disposed MiCasa Hotel, Yangon for a cash consideration of USD46.0 million to be completed in the third quarter of 2016.

On 15 August 2016, our Group via its subsidiary IGB entered into a conditional sales and purchase agreement to dispose Renaissance Kuala Lumpur Hotel for a cash consideration of RM765.0 million. The disposal is expected to complete in the first half of 2017.

The cash proceeds derived from the disposals will be used to invest in investments which give a higher yield and better growth prospects to the Group.

## GOLDIS BERHAD

### Notes to the Interim Financial Report

---

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

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

The Group recorded a revenue of RM287.6 million for the current quarter as compared to the preceding quarter of RM304.9 million which was slightly lower by 5.6% due to lower revenue from the Property Investment - Retail segments and property development segment in the current quarter.

The Group's profit before tax of RM78.2 million for the current quarter decreased by 13.4% as compared to the profit before tax reported in the preceding quarter of RM90.3 million mainly due to lower contribution from the share of results of associate and joint ventures in this quarter as compared to the previous quarter.

##### B3. Prospects for 2016

The Board is cautiously optimistic that the performance of the Group for FY2016 will be satisfactory as 2016 is expected to be a challenging year.

##### Property Investment - Retail and Commercial

The property investment segment will be more challenging in the short term with the increase in the supply of new retail space and decrease in demand for office space in Kuala Lumpur.

##### Property Development

2016 is expected to be a tough year for the property development segment. However as mentioned in Note B1, the 328 Tun Razak was completed in August 2016, and therefore the property development segment performance would be expected to improve.

##### Hotel

With the disposal of MiCasa Yangon hotel, we expect an improvement in the hotel segment.

##### 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 previous 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 the previous financial year.

##### B6. Taxation

	Current Quarter	Current YTD
	RM'000	RM'000
Current tax:		
- Malaysian tax	20,590	40,493
- Foreign tax	488	925
	<u>21,078</u>	<u>41,418</u>
Deferred Tax	<u>(7,381)</u>	<u>(11,629)</u>
	<u>13,697</u>	<u>29,789</u>

The effective income tax rate of the Group for the current year to date is lower than the statutory tax rate mainly due certain income not being subject to tax.

##### B7. Status of Corporate Proposals

There were no corporate proposals announced for the current quarter under review.

**GOLDIS BERHAD**

## Notes to the Interim Financial Report

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B8. Details of Group Borrowings and Debt Securities**

The Groups' borrowings and debts securities as at 30 June 2016 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Current</b>			
Revolving credits	660,225	225,587	885,812
Term loans	92,121	-	92,121
<b>Non-current</b>			
Revolving credits	931,600	-	931,600
Term loans	1,622,548	-	1,622,548
<b>Total</b>	<b>3,214,373</b>	<b>225,587</b>	<b>3,532,081</b>

The currency exposure profile of bank borrowings is as follows:

	Local currency (in '000)	RM equivalent (in '000)
Ringgit Malaysia		3,080,231
British Pound Sterling	62,500	340,018
Australian Dollar	27,000	74,747
United States Dollar	9,200	37,085
		<b>3,532,081</b>

**B9. Changes in Material Litigations**

As at the reporting date, there were no pending material litigation since the last financial year ended 31 December 2015 and up to the reporting date which exceeds 5% of the net assets of the Group.

**B10. Proposed Dividends**

A dividend of 2% (based on the issue price of RM1.00) per Redeemable Convertible Cumulative Preference Shares of RM0.01 each ("RCPS") for the six months period from and including 16 February 2016 up to and including 15 August 2016 in respect of the financial year ending 31 December 2016 under the single tier system has been declared by the Board of Directors of Goldis Berhad on 1 July 2016. The book closure date for the RCPS dividend is on 21 July 2016 to determine shareholders' entitlement and the said dividend was paid out on 11 August 2016.

A first interim dividend of 2 sen per Ordinary Share of RM1.00 each for the financial year ending 31 December 2016 under the single tier system has been declared by the Board of Directors of Goldis Berhad on 5 July 2016. The book closure date for the first interim dividend is on 26 July 2016 to determine shareholders' entitlement and the said dividend was paid out on 12 August 2016.

**B11. Earnings Per Share****(a) Basic 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)	21,933	52,946
Weighted average no. of ordinary shares in issue ('000)	607,775	607,706
Basic earnings per share (sen)	<b>3.61</b>	<b>8.71</b>

**(b) Diluted Earnings Per Share**

For diluted earnings per share of the Group, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares from maximum conversion of RCPS.

	Current Quarter	Current YTD
Profit for basic EPS (RM'000)	21,933	52,946
Add: Interest on RCPS saved as a result of conversion (RM'000)	1,096	2,160
Less: Tax relief thereon (RM'000)	(206)	(496)
Adjusted Earning (RM'000)	<b>22,823</b>	<b>54,610</b>
Weighted average no. of ordinary shares in issue ('000)	607,775	607,706
Adjustments for potential dilutive on maximum conversion of RCPS ('000)	199,724	199,724
Weighted average number of ordinary shares for diluted earnings per share	<b>807,499</b>	<b>807,430</b>
Diluted earnings per share (sen)	<b>2.83</b>	<b>6.76</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	Current YTD
	RM'000	RM'000
(a) Interest income	9,373	19,640
(b) Other income including investment income	14,577	20,058
(c) Interest expenses	(33,347)	(68,312)
(d) Depreciation and amortisation	(37,569)	(81,453)
(e) Foreign exchange loss	(3,574)	(10,240)

**B13. Realised and Unrealised Retained Earnings**

	As at 30.6.2016	As at 31.12.2015
	RM'000	RM'000
Total Retained Earnings		
- Realised	1,533,868	1,493,930
- Unrealised	(182,241)	(168,843)
	<u>1,351,627</u>	<u>1,325,087</u>
Total Share of Retained Profits from Associate		
- Realised	278,790	249,115
- Unrealised	(6,007)	301
	<u>1,624,410</u>	<u>1,574,503</u>
Less: Consolidation Adjustments	(231,022)	(228,093)
Total Retained Earnings	<u>1,393,388</u>	<u>1,346,410</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 December 2015 did not contain any qualification.