

# **GOLDIS BERHAD**

## **Interim Financial Report**

For the financial period ended 30 September 2016

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### **CONTENTS**

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**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 September 2016

*(The figures have not been audited)*

	Current Year Quarter 30.9.2016 RM'000	Preceding Year Quarter 30.9.2015 RM'000	Current Year To-Date 30.9.2016 RM'000	Preceding Year To-Date 30.9.2015 RM'000
Revenue	350,732	301,630	943,279	961,675
Cost of sales	<b>(163,965)</b>	<b>(121,755)</b>	<b>(452,839)</b>	<b>(414,411)</b>
Gross profit	<b>186,767</b>	179,875	<b>490,440</b>	547,264
Other operating income	<b>146,434</b>	11,922	<b>166,492</b>	31,625
Administrative expenses	<b>(57,008)</b>	<b>(76,152)</b>	<b>(172,205)</b>	<b>(216,736)</b>
Other operating expenses	<b>(4,620)</b>	<b>(3,374)</b>	<b>(21,329)</b>	<b>(15,852)</b>
Profit from operations	<b>271,573</b>	112,271	<b>463,398</b>	346,301
Finance income	<b>5,668</b>	11,353	<b>25,308</b>	34,519
Finance costs	<b>(32,241)</b>	<b>(34,500)</b>	<b>(100,553)</b>	<b>(106,030)</b>
Share of results of associates and joint ventures	<b>(5,511)</b>	4,118	<b>19,810</b>	37,400
Profit before taxation	<b>239,489</b>	93,242	<b>407,963</b>	312,190
Tax expense	<b>(34,213)</b>	<b>(27,489)</b>	<b>(64,002)</b>	<b>(90,720)</b>
<b>Profit for the financial period</b>	<b>205,276</b>	65,753	<b>343,961</b>	221,470
<b>Attributable to:</b>				
Owners of the parent	<b>95,792</b>	22,492	<b>148,738</b>	80,875
Non-controlling interests	<b>109,484</b>	43,261	<b>195,223</b>	140,595
<b>Profit for the financial period</b>	<b>205,276</b>	65,753	<b>343,961</b>	221,470
<b>Earnings per share attributable to equity holders of the Company (sen)</b>				
Basic	<b>15.76</b>	3.70	<b>24.47</b>	13.31
Diluted	<b>11.96</b>	2.90	<b>18.73</b>	10.86

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 September 2016

*(The figures have not been audited)*

	<b>Current Year Quarter 30.9.2016 RM'000</b>	Preceding Year Quarter 30.9.2015 RM'000	<b>Current Year To-Date 30.9.2016 RM'000</b>	Preceding Year To-Date 30.9.2015 RM'000
<b>Profit for the financial period</b>	<b>205,276</b>	65,753	<b>343,961</b>	221,470
<b>Other comprehensive income/(loss):</b>				
Currency translation differences				
- equity holders	<b>11,679</b>	(2,518)	<b>(48,709)</b>	25,595
- non-controlling interests	<b>5,043</b>	(4,727)	<b>(14,852)</b>	3,828
Available-for-sale financial assets				
- net change in fair value	-	-	-	(2,248)
Items that may be subsequently reclassified to profit or loss	<b>16,722</b>	(7,245)	<b>(63,561)</b>	27,175
<b>Total comprehensive income for the financial period</b>	<b>221,998</b>	58,508	<b>280,400</b>	248,645
<b>Attributable to:</b>				
Owners of the parent	<b>107,470</b>	19,975	<b>100,029</b>	104,222
Non-controlling interests	<b>114,528</b>	38,533	<b>180,371</b>	144,423
<b>Total comprehensive income for the financial period</b>	<b>221,998</b>	58,508	<b>280,400</b>	248,645

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 September 2016

*(The figures have not been audited)*

	30.9.2016 RM'000	31.12.2015 RM'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	1,716,446	2,466,317
Inventories	316,356	309,935
Investment properties	2,566,626	2,451,063
Long term prepaid lease	711	4,065
Intangible assets	33,424	33,907
Biological assets	132	242
Associates and joint ventures	844,329	948,488
Available-for-sale financial assets	30,674	17,579
Concession receivables	92,767	97,746
Deferred tax assets	2,039	1,548
	<b>5,603,504</b>	<b>6,330,890</b>
<b>Current Assets</b>		
Inventories	482,523	472,755
Financial assets at fair value through profit or loss	18,563	21,185
Concession receivables	3,081	3,285
Amount owing from associates and joint ventures	64,222	46,786
Receivables and contract assets	593,316	211,996
Tax recoverable	12,118	5,914
Cash held under Housing Development Accounts	85,183	23,931
Deposits, cash and bank balances	660,615	1,116,690
	<b>1,919,621</b>	<b>1,902,542</b>
<b>Assets classified as held-for-sale</b>	<b>675,523</b>	<b>35,190</b>
	<b>2,595,144</b>	<b>1,937,732</b>
<b>Total Assets</b>	<b>8,198,648</b>	<b>8,268,622</b>
<b>Equity and Liabilities</b>		
<b>Equity Attributable To Owners Of The Parent</b>		
Share capital	610,667	610,494
Share premium	32,562	32,340
Treasury shares	(5,722)	(5,722)
Redeemable Convertible Cumulative Preference Shares	367,332	367,650
Other reserves	38,000	86,709
Retained earnings	1,471,543	1,346,410
	<b>2,514,382</b>	<b>2,437,881</b>
Non-controlling interests	1,323,961	1,248,004
<b>Total Equity</b>	<b>3,838,343</b>	<b>3,685,885</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Payables and contract liabilities	87,789	89,297
Deferred tax liabilities	172,091	188,842
Redeemable Convertible Cumulative Preference Shares	48,983	64,085
Hire-purchase and finance lease payables	47	80
Interest bearing bank borrowings	2,497,573	2,577,964
	<b>2,806,483</b>	<b>2,920,268</b>
<b>Current Liabilities</b>		
Payables and contract liabilities	846,889	515,850
Amount owing to associates	4	1,717
Current tax liabilities	94,382	98,951
Redeemable Convertible Cumulative Preference Shares	14,271	14,271
Hire-purchase and finance lease payables	44	44
Interest bearing bank borrowings	598,232	1,031,636
	<b>1,553,822</b>	<b>1,662,469</b>
<b>Total Liabilities</b>	<b>4,360,305</b>	<b>4,582,737</b>
<b>Total Equity and Liabilities</b>	<b>8,198,648</b>	<b>8,268,622</b>
<b>Net assets per share attributable to ordinary equity holders of the Company</b>	<b>4.14</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 September 2016

*(The figures have not been audited)*

	Attributable to owners of the parent								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	Non- Controlling Interests 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>Comprehensive income</b>									
Profit for the financial period	-	-	-	-	-	148,738	148,738	195,223	343,961
Other comprehensive income	-	-	-	-	(48,709)	-	(48,709)	(14,852)	(63,561)
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,709)</b>	<b>148,738</b>	<b>100,029</b>	<b>180,371</b>	<b>280,400</b>
<b>Transactions with owners</b>									
<b>Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares</b>									
Shares to ordinary shares	173	222	-	(318)	-	-	77	-	77
Dividend paid to ordinary shareholders	-	-	-	-	-	(12,156)	(12,156)	-	(12,156)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(113,357)	(113,357)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	-	(11,449)	(11,449)	8,943	(2,506)
<b>Total transactions with owners</b>	<b>173</b>	<b>222</b>	<b>-</b>	<b>(318)</b>	<b>-</b>	<b>(23,605)</b>	<b>(23,528)</b>	<b>(104,414)</b>	<b>(127,942)</b>
<b>At 30 September 2016</b>	<b>610,667</b>	<b>32,562</b>	<b>(5,722)</b>	<b>367,332</b>	<b>38,000</b>	<b>1,471,543</b>	<b>2,514,382</b>	<b>1,323,961</b>	<b>3,838,343</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>Comprehensive income</b>									
Profit for the financial period	-	-	-	-	-	80,875	80,875	140,595	221,470
Other comprehensive income	-	-	-	-	23,347	-	23,347	3,828	27,175
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,347</b>	<b>80,875</b>	<b>104,222</b>	<b>144,423</b>	<b>248,645</b>
<b>Transactions with owners</b>									
Issuance of Redeemable Convertible Cumulative Preference Shares	-	-	-	367,650	-	-	367,650	-	367,650
Options granted to executives of a subsidiary	-	-	-	-	8,094	-	8,094	2,946	11,040
Acquire of subsidiary from non-controlling interests	-	-	-	-	-	-	-	30	30
Dividend paid to ordinary shareholders	-	-	-	-	-	(12,153)	(12,153)	-	(12,153)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(130,909)	(130,909)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	-	(8,087)	(8,087)	6,057	(2,030)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>367,650</b>	<b>8,094</b>	<b>(20,240)</b>	<b>355,504</b>	<b>(121,876)</b>	<b>233,628</b>
<b>At 30 September 2015</b>	<b>610,494</b>	<b>32,340</b>	<b>(5,722)</b>	<b>367,650</b>	<b>50,246</b>	<b>1,320,775</b>	<b>2,375,783</b>	<b>1,273,767</b>	<b>3,649,550</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 September 2016

*(The figures have not been audited)*

	Current Year 30.9.2016 RM'000	Preceding Year 30.9.2015 RM'000
<b>Operating Activities</b>		
Cash receipts from customers	799,733	1,005,967
Cash paid to suppliers and employees	(290,680)	(523,952)
Cash flows from operations	509,053	482,015
Interests paid	(101,742)	(101,836)
Tax refund	-	1,589
Income taxes paid	(91,593)	(94,009)
<b>Net cash generated from operating activities</b>	<b>315,718</b>	<b>287,759</b>
<b>Investing Activities</b>		
Investment in associates & joint venture	(1,168)	(64,958)
Proceeds from disposal of associates	2,706	-
Proceeds from issuance of shares by subsidiaries to non-controlling interest	-	701
Additional investment in available-for-sale financial assets	(13,095)	-
Additional investment in financial assets at fair value through profit or loss	(3,600)	(6,292)
Additions in investment properties, land held for property development and property, plant and equipments	(206,087)	(219,711)
Proceed from disposal of properties, plant and equipments	220,072	-
Additions in biological assets	(10)	(31)
Additions in intangible assets	-	(239)
Proceed from disposal of financial assets at fair value through profit or loss	1,660	8,566
Advances to associates & joint ventures - net	(19,148)	-
Repayment of advances from associates	-	9,967
Deposit released by/(pledged with) license bank	534,088	(9,334)
Capital repayment to non-controlling interests of subsidiary	(2,494)	-
Dividend received from associates	1,960	-
Interest received	21,821	36,514
<b>Net cash generated/(used in) investing activities</b>	<b>536,705</b>	<b>(244,817)</b>
<b>Financing Activities</b>		
Additional investment in subsidiary from non-controlling interest	(12)	(2,711)
Proceeds from issuance of Redeemable Convertible Cumulative Preference Shares ("RCPS")	-	455,727
Expenses relating to issuance of RCPS	-	(1,064)
Cash arising from dilution of equity of a subsidiary	-	433
Dividend paid to ordinary shareholders	(12,156)	(12,153)
Dividend paid to holders of RCPS	(18,222)	(9,115)
Dividend paid to non-controlling interests	(175,405)	(342,945)
Repayments of borrowings	(526,575)	(621,620)
Proceeds from borrowings	16,505	300,643
Payments of hire-purchase and finance lease liabilities	(33)	(59)
<b>Net cash used in financing activities</b>	<b>(715,898)</b>	<b>(232,864)</b>
Net increase/(decrease) in cash and cash equivalents during the financial period	136,525	(189,922)
Currency translation differences	2,739	(4,108)
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>715,316</b>	<b>550,950</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

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### 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 for 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 results for 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 394,850 Redeemable Convertible Cumulative Preference Shares ("RCPS") of RM0.01 each at an issue price of RM1.00 per RCPS into 173,175 ordinary shares of RM1.00 each at a conversion price of RM2.28;
- (ii) The number of treasury shares held as at 30 September 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>

The following dividend payment was made during the period in respect of financial year ending 31 December 2016:

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 11 August 2016	9,107
A first interim single-tier dividend of 2 sen per Ordinary Share has been paid on 12 August 2016	12,153
	<u>21,260</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

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 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.

On 15 September 2016, the Group via its subsidiary, IGB Corporation Berhad ("IGB") announced to Bursa Malaysia that its wholly-owned dormant subsidiary, IGB Management Services Sdn Bhd ("IGBMS") had held its Final General Meeting on 15 September 2016 in respect of the members' voluntary winding-up of IGBMS and that pursuant to Section 272(5) of the Companies Act 1965, IGBMS will be dissolved with effective from 15 December 2016.

On 10 November 2016, the Group via its subsidiary, IGB Corporation Berhad ("IGB") announced to Bursa Malaysia that its wholly-owned subsidiary, Verokey Sdn Bhd, had on 7 November 2016 incorporated a private limited company in the United Kingdom under the name of Blackfriars Project Management Limited ("BPML") with a registered capital of £1 divided into one share. BPML is established for purposes of overseeing the management and construction of the Group's 18 Blackfriars London project.

#### A10. Capital Commitments

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

	RM'000
Approved and contracted for:	
- Investment properties	922,443
- Property, plant and equipment	14,187
	<u>936,630</u>
Approved but not contracted for:	
- Investment properties	926
- Property, plant and equipment	37,761
	<u>38,687</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	18,563	-	-	18,563
Available-for-sale financial assets	-	30,624	50	30,674
	<u>18,563</u>	<u>30,624</u>	<u>50</u>	<u>49,237</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 September 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 9 months period ended 30 September 2016 decreased by 1.9% to RM943.3 million as compared to RM961.7 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. However, these decreases were mitigated by higher contributions derived from the hotel segment and property investment - retail segment.

Our Group recorded higher profit before taxation of RM408.0 million for the 9 months period ended 30 September 2016 as compared to RM312.2 million in the corresponding period of the preceding year, which represented an increase of 30.7%. This was mainly due to a one-off gain on disposal of a property, plant and equipment of a subsidiary from the hotel segment.

**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 RM370.3 million and segmental profit of RM245.8 million for the 9 months period ended 30 September 2016 as compared to the revenue of RM351.7 million and segmental profit of RM235.8 million for the corresponding period of the preceding year, which represented an increase of 5.3% and 4.2% respectively. The increase in revenue and segmental profit were mainly due to higher total rental income.

The property investment - commercial segment recorded revenue of RM125.8 million and segmental profit of RM57.3 million for the 9 months period ended 30 September 2016 as compared to the revenue of RM140.2 million and segmental profit of RM73.6 million for the corresponding period of the preceding year, which was lower by 10.3% and 22.1% respectively. The decrease in segmental revenue and segmental profit was due to 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, GTower and Menara Tan & Tan are 96%, 82% and 76% respectively.

**Property Development**

Our Group's property development segment registered a lower revenue of RM79.9 million for the 9 months period ended 30 September 2016 as compared to the revenue of RM141.0 million for the corresponding period of the preceding year, which was lower by 43.3%. The higher revenue 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.

In October 2016, our Group launched a 400-unit luxury curated condominium in a 41-storey tower located off Jalan Stonor, in the heart of Kuala Lumpur City Centre, known as "Stonor 3". Currently, our Group has two on going 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 50% completed.

**Hotel**

The hotel division registered an increase in revenue of RM295.9 million for the 9 months period ended 30 September 2016 as compared to revenue of RM258.3 million for the corresponding 9 months period of the preceding year, which represented an increase of 14.6%. 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 which was completed in the third quarter of 2016.

On 15 August 2016, our Group via its subsidiary IGB entered into a conditional sale and purchase agreement to dispose Renaissance Kuala Lumpur Hotel for a cash consideration of RM765.0 million. The sale and purchase agreement became unconditional on 31 October 2016 and the disposal is expected to be completed 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.

**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 RM350.7 million for the current quarter as compared to the preceding quarter of RM287.6 million which was higher by 21.9% due to higher revenue from the hotel segment, property development segment and the property investment - retail segment in the current quarter.

The Group's profit before tax of RM239.5 million for the current quarter increased by 157.0% as compared to the profit before tax reported in the preceding quarter of RM93.2 million mainly due the pre-tax gain on disposal of Cititel Express Kuala Lumpur and 65% owned MiCasa Hotel, Yangon amounting to RM137.4 million recognised in the current quarter.

**B3. Prospects for 2016**

The Board is optimistic that with the pre-tax gain of RM 136.2 million arising from the disposal of MiCasa Yangon there will be a significant improvement in the results of the Group for 2016 when compared to 2015.

**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.

**Hotel**

With the disposal of Cititel Express Kuala Lumpur and 65% owned MiCasa Yangon hotel, the hotel segment performance in 2016 will be better than 2015.

**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	18,837	59,330
- Foreign tax	14,255	15,180
	<u>33,092</u>	<u>74,510</u>
Deferred Tax	1,121	(10,508)
	<u>34,213</u>	<u>64,002</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 subjected 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 September 2016 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Current</b>			
Revolving credits	308,050	225,658	533,708
Term loans	64,524	-	64,524
<b>Non-current</b>			
Revolving credits	910,400	-	910,400
Term loans	1,587,173	-	1,587,173
<b>Total</b>	<u>2,870,147</u>	<u>225,658</u>	<u>3,095,805</u>

The currency profile of bank borrowings is as follows:

	Local currency (in '000)	RM equivalent (in '000)
Ringgit Malaysia		2,994,490
Australian Dollar	27,000	63,264
United States Dollar	9,200	38,051
		<u>3,095,805</u>

**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**

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

**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)	95,792	148,738
Weighted average no. of ordinary shares in issue ('000)	607,796	607,737
Basic earnings per share (sen)	<u>15.76</u>	<u>24.47</u>

**(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)	95,792	148,738
Add: Interest on RCPS saved as a result of conversion (RM'000)	1,021	3,181
Less: Tax relief thereon (RM'000)	(210)	(706)
Adjusted Earning (RM'000)	<u>96,603</u>	<u>151,213</u>
Weighted average no. of ordinary shares in issue ('000)	607,796	607,737
Adjustments for potential dilutive on maximum conversion of RCPS ('000)	199,707	199,707
Weighted average number of ordinary shares for diluted earnings per share	<u>807,503</u>	<u>807,444</u>
Diluted earnings per share (sen)	<u>11.96</u>	<u>18.73</u>

**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	5,668	25,308
(b) Other income including investment income	146,434	166,492
(c) Interest expenses	(32,241)	(100,553)
(d) Depreciation and amortisation	(38,369)	(119,822)
(e) Unrealised foreign exchange loss	(2,670)	(17,972)
(f) Foreign exchange gain	2,554	7,616
(g) Gain on disposal of properties, plant and equipments	137,374	137,374

**B13. Realised and Unrealised Retained Earnings**

	As at 30.9.2016 RM'000	As at 31.12.2015 RM'000
Total Retained Earnings		
- Realised	1,620,117	1,493,930
- Unrealised	(181,251)	(168,843)
	<u>1,438,866</u>	<u>1,325,087</u>
Total Share of Retained Profits from Associate		
- Realised	275,390	249,115
- Unrealised	(8,171)	301
	<u>1,706,085</u>	<u>1,574,503</u>
Less: Consolidation Adjustments	(234,542)	(228,093)
Total Retained Earnings	<u>1,471,543</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.