

Interim Financial Report for the three months ended 31 March 2019

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Note:

A1 to A11 are explanatory notes in accordance with MFRS134.

B1 to B13 are explanatory notes in accordance with paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements.

Condensed Consolidated Income Statements

(The figures have not been audited)

	Current Year Quarter 31.3.2019 RM' 000	Preceding Year Quarter 31.3.2018 RM' 000	Current Year- To-Date 31.3.2019 RM' 000	Preceding Year- To-Date 31.3.2018 RM' 000
Revenue	333,763	294,195	333,763	294,195
Cost of sales	(157,104)	(125,362)	(157,104)	(125,362)
Gross profit	176,659	168,833	176,659	168,833
Other operating income	8,234	8,996	8,234	8,996
Administrative expenses	(44,930)	(50,643)	(44,930)	(50,643)
Other operating expenses	(1,214)	(6,770)	(1,214)	(6,770)
Profit from operations	138,749	120,416	138,749	120,416
Finance income	8,381	12,104	8,381	12,104
Finance costs	(35,815)	(25,859)	(35,815)	(25,859)
Share of after-tax results of associates and joint venture	(1,501)	(6,386)	(1,501)	(6,386)
Profit before tax	109,814	100,275	109,814	100,275
Less tax:				
Company and subsidiaries	(30,467)	(30,063)	(30,467)	(30,063)
Profit for the period	79,347	70,212	79,347	70,212
Attributable to:				
Equity holders of the Company	49,447	34,078	49,447	34,078
Non-controlling interests	29,900	36,134	29,900	36,134
	79,347	70,212	79,347	70,212
Earnings per share (sen)				
- basic	7.25	5.43	7.25	5.43
- diluted	5.34	3.84	5.34	3.84

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

Condensed Consolidated Statements of Comprehensive Income

(The figures have not been audited)

	Current Year Quarter 31.3.2019 RM' 000	Preceding Year Quarter 31.3.2018 RM' 000	Current Year- To-Date 31.3.2019 RM' 000	<i>Audited</i> Preceding Year- To-Date 31.3.2018 RM' 000
Profit for the financial period	79,347	70,212	79,347	70,212
Other comprehensive income/(loss):				
Currency translation differences				
- equity holders	6,246	(14,572)	6,246	(14,572)
- non-controlling interests	(2)	(2,385)	(2)	(2,385)
Items that may subsequently be reclassified to profit or loss	6,244	(16,957)	6,244	(16,957)
Net change in financial assets at fair value through other comprehensive income	(771)	7,893	(771)	7,893
Total comprehensive income for the financial period	84,820	61,148	84,820	61,148
Total comprehensive income for the financial period attributable to:				
Equity holders of the Company	54,922	27,399	54,922	27,399
Non-controlling interests	29,898	33,749	29,898	33,749
Total comprehensive income for the financial period	84,820	61,148	84,820	61,148

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

Condensed Consolidated Statements of Financial Position
(The figures have not been audited)

	31.3.2019	<i>Audited</i> 31.12.2018
	RM '000	RM '000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	1,625,691	1,633,907
Inventories	435,906	435,542
Investment properties	3,596,362	3,522,105
Long term prepaid lease	362	369
Intangible assets	17,756	17,590
Associates and joint ventures	839,003	833,559
Financial assets at fair value through other comprehensive income	92,990	93,761
Concession receivables	120,065	114,936
Deferred tax assets	16,340	22,060
Prepayment	1,033	1,141
	6,745,508	6,674,970
CURRENT ASSETS		
Inventories	466,821	462,258
Concession receivables	4,079	3,925
Amounts owing by associates and joint ventures	97,915	90,752
Receivables and contract assets	217,485	246,365
Tax recoverable	11,367	23,163
Cash held under Housing Development Accounts	23,033	32,309
Deposits, cash and bank balances	870,198	1,030,955
Assets classified as held-for-sale	-	800
	1,690,898	1,890,527
TOTAL ASSETS	8,436,406	8,565,497
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		
Share capital	884,446	884,327
Treasury shares	(22,021)	(11,925)
Redeemable Convertible Cumulative Preference Shares	503,942	504,038
Other reserves	15,580	10,105
Retained earnings	2,093,611	2,048,461
	3,475,558	3,435,006
Non-controlling interests	103,459	107,271
TOTAL EQUITY	3,579,017	3,542,277
LIABILITIES		
NON-CURRENT LIABILITIES		
Deferred tax liabilities	149,570	142,597
Redeemable Convertible Cumulative Preference Shares	34,557	49,256
Interest bearing bank borrowings	3,362,063	3,419,856
	3,546,190	3,611,709
CURRENT LIABILITIES		
Payables and contract liabilities	642,651	709,371
Amounts owing to associates	4	4
Current tax liabilities	34,836	49,258
Redeemable Convertible Cumulative Preference Shares	27,444	26,096
Interest bearing bank borrowings	606,264	626,782
	1,311,199	1,411,511
TOTAL LIABILITIES	4,857,389	5,023,220
TOTAL EQUITY AND LIABILITIES	8,436,406	8,565,497

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

Condensed Consolidated Statement of Changes in Equity for the year ended 31 March 2019

(The figures have not been audited)

	Attributable to equity holders					Total	Non-controlling interests	Total Equity
	Share Capital	Treasury Shares	Redeemable Convertible Preference Shares	Other reserves	Retained earnings			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 January 2019	884,327	(11,925)	504,038	10,105	2,048,461	3,435,006	107,271	3,542,277
Total comprehensive income for the period	-	-	-	5,475	49,447	54,922	29,898	84,820
Conversion of Redeemable Convertible Cumulative Preference Shares to ordinary shares	119	-	(96)	-	(14)	9	-	9
Share buy back	-	(10,096)	-	-	-	(10,096)	-	(10,096)
Dividend paid to non-controlling interests	-	-	-	-	-	-	(37,993)	(37,993)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	-	-	(4,283)	(4,283)	4,283	-
Total transactions with equity holders	119	(10,096)	(96)	-	(4,297)	(14,370)	(33,710)	(48,080)
At 31 March 2019	884,446	(22,021)	503,942	15,580	2,093,611	3,475,558	103,459	3,579,017

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

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Condensed Consolidated Statement of Changes in Equity for the year ended 31 March 2018

	Attributable to equity holders					Non-controlling interests		Total Equity RM '000
	Share Capital RM '000	Treasury Shares RM '000	Redeemable Convertible Cumulative Preference Shares RM '000	Other reserves RM '000	Retained earnings RM '000	Total RM '000	RM '000	
At 1 January 2018	645,030	(5,722)	365,847	27,273	1,678,340	2,710,768	1,322,847	4,033,615
Total comprehensive income for the period	-	-	-	(6,679)	34,078	27,399	33,749	61,148
Conversion of Redeemable Convertible Cumulative Preference Shares into ordinary shares	118	-	(95)	-	(10)	13	-	13
Dividend paid to non-controlling interests	-	-	-	-	-	-	(100)	(100)
Changes in ownership interests in subsidiaries that do not result in a loss of control								
- acquisition of IGB Corporation Berhad	173,426	-	187,206	(7,831)	168,823	521,624	(1,253,136)	(731,512)
- other subsidiaries	-	-	-	-	(7,608)	(7,608)	26,180	18,572
Total transactions with equity holders	173,544	-	187,111	(7,831)	161,205	514,029	(1,227,056)	(713,027)
At 31 March 2018	818,574	(5,722)	552,958	12,763	1,873,623	3,252,196	129,540	3,381,736

Condensed Consolidated Cash Flow Statements
(The figures have not been audited)

	31.3.2019	31.3.2018
	RM '000	RM '000
Operating activities		
Receipts from customers	358,696	280,309
Payments to contractors, suppliers and employees	(240,018)	(179,625)
Cash flow generated from/(used in) operations	118,678	100,684
Interests paid	(35,046)	(30,161)
Income taxes paid	(20,400)	(26,471)
Net cash generated from operating activities	63,232	44,052
Investing activities		
Additional investments in available-for-sale financial assets	-	(6,828)
Additions to property, plant and equipment, investment properties and land held for property development	(94,524)	(87,684)
Additions to intangible assets	(242)	-
Movements in Fixed Deposits with maturity more than 3 months	-	161,699
Net advances to associates and joint ventures	(3,894)	(2,413)
Interest received	8,370	11,008
Net cash (used in)/generated from investing activities	(90,290)	75,782
Financing activities		
Dividend paid to holders of RCPS	(14,203)	(9,070)
Dividend paid to non-controlling interests	(37,993)	(81,715)
Proceeds from issuance of new ordinary shares	-	17,418
Purchase of treasury shares	(10,096)	-
Acquisition of additional interests in a subsidiary from non-controlling interests	-	(658,371)
Net (repayments)/receipt of bank borrowings	(78,218)	681,245
Net cash used in financing activities	(140,510)	(50,493)
Currency translation differences	(2,465)	(8,958)
Net (decrease)/increase in cash and cash equivalents	(167,568)	69,341
Cash and cash equivalents at 1 January	1,001,634	1,293,635
Cash and cash equivalents at 31 December	831,601	1,354,018
Add: Restricted cash and deposits pledged with licensed bank	61,630	132,561
As per statement of financial position	893,231	1,486,579

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

PART A - Explanatory notes pursuant to MFRS 134

A1 Accounting Policies and Methods of Computation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 – "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2018.

These condensed consolidated interim financial statements have been prepared based on accounting policies and methods of computation which are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2018 except for the adoption of the following amendments to MFRSs that are applicable for the current financial year:

(Effective for annual periods beginning on or after 1 January 2019)

•	Annual Improvements to MFRSs 2015 – 2017 Cycle:-	
	• Amendments to MFRS 3	Business Combinations
	• Amendments to MFRS 11	Joint Arrangements
	• Amendments to MFRS 112	Income Taxes
•	Amendments to MFRS 9	Prepayment features with negative compensation
•	MFRS 16 and MFRS 117	Leases
•	Amendments to MFRS 123	Borrowing Costs
•	IC Interpretation 23	Uncertainty over Income Tax Treatments
•	Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
•	Amendments to MFRS 3	Definition of a Business

The adoption of the above amendments to MFRSs did not have any material impact on the financial statements of the Group.

A2 Seasonality or cyclical

The Group's operations were not materially affected by seasonal or cyclical factors other than as disclosed elsewhere in this Report.

A3 Significant unusual items

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than as disclosed elsewhere in these Notes.

A4 Material changes in estimates

Not applicable.

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 year, except as follows:

Date	No. of Ordinary Shares	Remarks
As at 31 December 2018	689,519,720	Including 5,310,420 treasury shares
Issued in March 2019	52,500	Conversion of Redeemable Convertible Cumulative Preference Shares ("RCPS") into ordinary shares
As at 31 March 2019	689,572,220	

The number of ordinary shares as at the date of this report is 689,572,220.

Date	No. of RCPS	Remarks
As at 31 December 2018	452,337,850	
March 2019	(119,700)	Conversion of RCPS into ordinary shares
As at 31 March 2019	452,218,150	

The number of RCPS as at the date of this report is 452,218,150.

Date	No. of RCCPS	Remarks
As at 31 December 2018/ 31 March 2019	57,087,141	

The number of RCCPS as at the date of this report is 57,087,141.

Date	No. of treasury shares	Lowest Price RM	Highest Price RM	Cost RM
As at 31 December 2018	5,310,420			11,924,936
Purchased in January 2019	767,000	2.48	2.50	1,922,410
Purchased in February 2019	2,476,800	2.48	2.50	6,211,675
Purchased in March 2019	775,800	2.50	2.55	1,961,929
As at 31 March 2019	9,330,020			22,020,950
Purchased in April 2019	10,000	2.70	2.70	27,221
As at 10 May 2019	9,340,020			22,048,171

The number of treasury shares held as at the report date is 9,340,020 ordinary shares at an average cost of RM2.36 per ordinary share.

A6 Dividends paid

An Interim Single Tier Dividend of 4.5% per annum (based on the issue price of RM1.00 per RCPS) for the six months period from and including 16 August 2018 up to and including 15 February 2019 was paid on 29 March 2019.

An Interim Single Tier Dividend of 4.3% per annum (based on the issue price of RM3.28 per RCCPS) for the six months period from and including 2 September 2018 up to and including 1 March 2019 was paid on 29 March 2019.

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A7 Segment Reporting

Business segments	Property investment - retail	Property investment -commercial	Hotel	Property development	Construction	Others	Group
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
3 months to 31 March 2019							
Revenue							
Total revenue	157,408	50,064	67,874	47,718	67,202	94,472	484,738
Intersegment revenue	<u>(17,786)</u>	<u>(6,920)</u>	<u>(1,013)</u>	<u>-</u>	<u>(67,202)</u>	<u>(58,054)</u>	<u>(150,975)</u>
External revenue	<u>139,622</u>	<u>43,144</u>	<u>66,861</u>	<u>47,718</u>	<u>-</u>	<u>36,418</u>	<u>333,763</u>
Results							
Segment results (external)	93,784	20,826	11,367	32,771	(351)	(4,100)	154,297
Unallocated expense							<u>(15,548)</u>
Profit from operations							138,749
Finance income							8,381
Finance costs							<u>(35,815)</u>
Share of after-tax results of associates and joint ventures	<u>-</u>	<u>360</u>	<u>(3,643)</u>	<u>1,451</u>	<u>-</u>	<u>331</u>	<u>(1,501)</u>
Profit before tax							109,814
Tax expense							<u>(30,467)</u>
Profit for the period							<u>79,347</u>
Attributable to:							
Equity holders of the Company							49,447
Non-controlling interests							<u>29,900</u>
							<u>79,347</u>

Unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

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A7 Segment Reporting (continued)

Business segments	Property investment - retail RM '000	Property investment -commercial RM '000	Hotel RM '000	Property development RM '000	Construction RM '000	Others RM '000	Group RM '000
3 months to 31 March 2018							
Revenue							
Total revenue	149,209	46,551	75,131	16,969	55,889	41,051	384,800
Intersegment revenue	<u>(13,926)</u>	<u>(5,926)</u>	<u>(1,437)</u>	<u>-</u>	<u>(55,889)</u>	<u>(13,427)</u>	<u>(90,605)</u>
External revenue	<u>135,283</u>	<u>40,625</u>	<u>73,694</u>	<u>16,969</u>	<u>-</u>	<u>27,624</u>	<u>294,195</u>
Results							
Segment results (external)	94,995	23,927	11,762	12,790	(1,354)	(5,410)	136,710
Unallocated expense							<u>(16,294)</u>
Profit from operations							120,416
Finance income							12,104
Finance costs							(25,859)
Share of after-tax results of associates and joint ventures	<u>-</u>	<u>49</u>	<u>(7,905)</u>	<u>(148)</u>	<u>-</u>	<u>1,618</u>	<u>(6,386)</u>
Profit before tax							100,275
Tax expense							<u>(30,063)</u>
Profit for the period							<u>70,212</u>
Attributable to:							
Equity holders of the Company							34,078
Non-controlling interests							<u>36,134</u>
							<u>70,212</u>

Unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

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 Changes in the composition of the Group

On 26 March 2019, an announcement was made to Bursa Securities that Tan & Tan Developments Berhad ("TTDB"), a wholly-owned subsidiary of IGB Corporation Berhad, which in turn is a wholly-owned subsidiary of the Company, had acquired 100% equity interest in Hyperleap Sdn Bhd ("HSB"), for a cash consideration of RM1.00, making it a wholly-owned subsidiary of TTDB. HSB's principle activity is property investment.

A10 Capital commitment

Capital expenditure not provided for in the financial statements were as follows:

	Group	
	31 March 2019 RM'000	31 December 2018 RM'000
Approved and contracted for:		
Property, plant and equipment	18,684	25,866
Investment properties	55,834	127,005
Others	16,155	20,531
	90,673	173,402

A11 Fair value of financial instruments

There were no contingent liabilities or contingent assets since 31 December 2018.

- 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 other comprehensive income:				
- Trading securities	1,435	-	-	1,435
- Equity securities	-	-	91,555	91,555
	1,435	-	91,555	92,990

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the financial year ended 31 December 2018.

B1 Review of performance

	3 months to 31.3.2019 RM' 000	3 months to 31.3.2018 RM' 000	Variance %
Revenue	333,763	294,195	13%
Profit from operations	138,749	120,416	15%
Profit before interest and tax	145,629	126,134	15%
Profit before tax	109,814	100,275	10%
Profit after tax	79,347	70,212	13%
Profit attributable to ordinary equity holders	49,447	34,078	45%

When comparing three months ended 31 March 2019 with three months ended 31 March 2018:

Group revenue and Group pre-tax profit increased by 13% and 10% respectively mainly due to higher contribution from the Property Development, Property Investment-Retail and Property Investment-Commercial divisions.

Property Investment – Retail

The Group's retail division is mainly represented by IGB REIT, the owner of Mid Valley Megamall and The Gardens Mall. For the 3 months ended 31 March 2019, IGB REIT reported total gross revenue and net property income of RM141.2 million (1Q2018: RM136.8 million) and RM103.5 million (1Q2018: RM102.5 million) respectively, an increase of about 3% and 1% respectively.

Property Investment – Commercial

In the Property Investment - Commercial division, average occupancy rates for 1Q2019 for the Group's commercial buildings was above 80% with average rental rates at RM6.00 psf which is comparable to the previous year.

Property Development

Revenue recognition from the Property Development division during the current quarter increased significantly to RM47.7 million when compared to the same period last year of RM17.0 million mainly due to recognition of higher percentage of completion in respect of the Group's development project. The Group's development project currently under construction at about 88% completion is "Stonor 3", a 400-unit condominium located in the vicinity of KLCC.

Hotel

Revenue contributed by the Hotel division for the 3 months to 31 March 2019 decreased by 10% to RM67.9 million (1Q2018: RM75.1 million) mainly as a result of lower average occupancy rates achieved by most of the hotels.

B2 Comparison with immediate preceding quarter

	3 months to 31.3.2019 RM' 000	3 months to 31.12.2018 RM' 000	Variance %
Revenue	333,763	361,101	-8%
Profit from operations	138,749	170,343	-19%
Profit before interest and tax	145,629	181,429	-20%
Profit before tax	109,814	141,692	-22%
Profit after tax	79,347	140,094	-43%
Profit attributable to ordinary equity holders	49,447	92,006	-46%

When comparing three months ended 31 March 2019 with three months ended 31 December 2018:

- i) Group revenue decreased by 8% to RM333.8 million from RM361.1 million in the previous quarter mainly due to lower contributions from Property Development, Property Investment-Commercial and Hotel divisions.
- ii) Group pre-tax profit decreased by 22% to RM109.8 million from RM141.7 million in the previous quarter mainly due to lower contributions from Property Development and Hotel divisions.

B3 Prospects for 2019

Property Investment – Retail and Commercial

The property investment segment will be more challenging in the near term with the scheduled increase in supply of new retail space and slower demand for office space in Kuala Lumpur. However, with the prime location of the Group's retail malls and office buildings, the Board expects contribution from this segment to be satisfactory.

Mid Valley Southpoint offices with net lettable area of about 490,000 sq. ft. was completed and obtained its Certificate of Occupation on 6 July 2018 and is expected to contribute positively to the growth of this division.

The Mall, Mid Valley Southkey, located in Johor Bahru had its soft opening on 23 April 2019. With total net retail space of about 1.5 million sq. ft. and currently about 80% tenanted, The Mall, Mid Valley Southkey is expected to contribute to the growth of the Group's retail division.

Property Development

In view of the current weak sentiment in the property development market, 2019 will continue to be a difficult and challenging year for the property development segment.

Hotel

Contribution from the hotel segment during the first quarter has traditionally been weak but it is expected that business will pick up towards the second half of the year.

B4 Profit forecast/profit guarantee

The Group did not issue any profit forecast or profit guarantee.

B5 Tax

	Current year quarter ended 31.3.2019 RM '000	Cumulative current Year-To-Date ended 31.3.2019 RM '000
Malaysian income tax		
- Company and subsidiaries	27,701	27,701
Overprovision in previous year	(194)	(194)
Transferred to deferred tax	819	819
	<u>28,326</u>	<u>28,326</u>
Overseas tax		
- Company and subsidiaries	2,141	2,141
	<u>30,467</u>	<u>30,467</u>

The effective tax rate of the Group for the current year-to-date was higher than the statutory tax rate as certain expenses were not allowable for tax purposes as well as there is no group relief for losses incurred by certain subsidiaries.

B6 Corporate proposals

No corporate proposals have been announced during the financial quarter under review up.

B7 Group borrowings and debt securities

Group borrowings as at 31 March 2019 were as follows:

	31 March 2019					
	Long term		Short term		TOTAL	
	Foreign denomination '000	RM denomination RM '000	Foreign denomination '000	RM denomination RM '000	Foreign denomination '000	RM denomination RM '000
Secured						
Term Loan - RM	-	90,000	-	45,163	-	135,163
Term Loan - RMB	15,716	9,558	-	-	11,964	9,558
Revolving credit - RM	-	1,124,000	-	72,965	-	1,196,965
Revolving credit - USD	-	-	10,000	40,820	10,000	40,820
Medium Term Notes - RM	-	2,138,505	-	1,736	-	2,140,241
Unsecured						
Revolving credit - RM	-	-	-	445,580	-	445,580
		<u>3,362,063</u>		<u>606,264</u>		<u>3,968,327</u>

B8 Material litigation

As at the date of this report, there are no pending material litigation which exceeds 5% of the net assets of the Group.

B9 Proposed dividend

During this quarter, no dividend is declared or proposed in respect of the financial year ending 31 December 2019.

B10 Earnings per share

(a) Basic earnings per share

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

		Current Year Quarter ended 31.3.2019	Preceding Year Quarter ended 31.3.2018	Current Year-To-Date ended 31.3.2019	Preceding Year-To-Date ended 31.3.2018
Net Profit for the period	RM '000	<u>49,447</u>	<u>34,078</u>	<u>49,447</u>	<u>34,078</u>
Weighted average number of ordinary shares in issue	'000	<u>682,391</u>	<u>627,920</u>	<u>682,391</u>	<u>627,920</u>
Basic earnings per share	sen	<u><u>7.25</u></u>	<u><u>5.43</u></u>	<u><u>7.25</u></u>	<u><u>5.43</u></u>

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity holders by the weighted average number of ordinary shares in issue adjusted to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares from maximum conversion of RCPS and RCCPS.

		Current Year Quarter ended 31.3.2019	Preceding Year Quarter ended 31.3.2018	Current Year-To-Date ended 31.3.2019	Preceding Year-To-Date ended 31.3.2018
Net Profit for the period	RM '000	49,447	34,078	49,447	34,078
Add: Interest on RCPS and RCCPS saved as a result of conversion	RM '000	861	921	861	921
Less: Tax relief thereon	RM '000	(195)	(331)	(195)	(331)
Adjusted Net Profit	RM '000	<u>50,113</u>	<u>34,668</u>	<u>50,113</u>	<u>34,668</u>
Weighted average number of ordinary shares in issue	'000	682,391	627,920	682,391	627,920
Adjustment for potential dilution on maximum conversion of RCPS and RCCPS	'000	255,428	275,666	255,428	275,666
	'000	<u>937,819</u>	<u>903,586</u>	<u>937,819</u>	<u>903,586</u>
Diluted earnings per share	sen	<u><u>5.34</u></u>	<u><u>3.84</u></u>	<u><u>5.34</u></u>	<u><u>3.84</u></u>

B11 Notes to Statements of Comprehensive Income

	Current Year Quarter ended 31.3.2019 RM '000	Cumulative Current Year-To-Date ended 31.3.2019 RM '000
(a) Interest income	8,381	8,381
(b) Other income including investment income	8,234	8,234
(c) Interest expense	(35,815)	(35,815)
(d) Depreciation and amortisation	(27,376)	(27,376)
(e) Foreign exchange loss	(2,206)	(2,206)
(f) Foreign exchange gain	880	880

B12 Audit Report Qualification

The audit report of the Group's annual financial statements for the year ended 31 December 2018 did not contain any qualification.

B13 Authorisation for issue

This Interim Financial Report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 May 2019.