

Lingkaran Trans Kota Holdings Berhad (335382-V)

**Condensed Consolidated Statements of Financial Position
As at 31 December 2018**

	As at 31-Dec-18 RM'000	As at 31-Mar-18 RM'000
Assets		
Non-current assets		
Highway development expenditure ("HDE")	1,279,056	1,350,828
Plant and equipment	2,092	2,238
Other intangible assets	1,238	1,420
Investment in an associate	172,962	174,214
	<u>1,455,348</u>	<u>1,528,700</u>
Current assets		
Sundry receivables	88,435	125,453
Amount due from an associate	1,428	1,349
Investment securities	14,306	25,094
Cash and bank balances	661,361	579,587
	<u>765,530</u>	<u>731,483</u>
Total assets	<u>2,220,878</u>	<u>2,260,183</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	231,231	230,940
Other reserve	5,939	3,573
Retained earnings	712,587	588,404
Total equity	<u>949,757</u>	<u>822,917</u>
Liabilities		
Non-current liabilities		
Deferred revenue	16,661	17,832
Deferred tax liabilities	198,213	204,219
Borrowings	773,006	987,599
Retirement benefit obligations	4,336	3,984
Provision for heavy repairs	15,436	10,713
	<u>1,007,652</u>	<u>1,224,347</u>
Current liabilities		
Provision for heavy repairs	10,397	10,397
Borrowings	220,000	140,000
Sundry payables	21,352	48,950
Income tax payable	11,720	13,572
	<u>263,469</u>	<u>212,919</u>
Total liabilities	<u>1,271,121</u>	<u>1,437,266</u>
Total equity and liabilities	<u>2,220,878</u>	<u>2,260,183</u>

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Lingkar Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Comprehensive Income
for the period ended 31 December 2018

	Individual Period		Cumulative Period	
	Current Year Quarter 31-Dec-18 RM'000	Preceding Year Corresponding Quarter 31-Dec-17 RM'000	Current Year To Date 31-Dec-18 RM'000	Preceding Year Corresponding Period 31-Dec-17 RM'000
Revenue	131,094	132,298	389,584	396,025
Employee benefits expense	(6,864)	(6,433)	(21,274)	(21,289)
Maintenance expenses	(5,874)	(6,824)	(17,060)	(17,264)
Depreciation and amortisation	(24,251)	(24,498)	(72,302)	(73,582)
Other expenses	(2,599)	(1,793)	(7,409)	(7,429)
	(39,588)	(39,548)	(118,045)	(119,564)
	91,506	92,750	271,539	276,461
Interest income	5,807	5,125	14,874	13,508
Other income	387	1,348	1,245	1,776
Finance costs	(16,581)	(18,673)	(49,883)	(56,070)
Share of results of an associate	357	(431)	(1,252)	(1,949)
Profit before tax	81,476	80,119	236,523	233,726
Income tax expense	(20,296)	(19,604)	(59,543)	(57,992)
Profit for the period, representing total comprehensive income	61,180	60,515	176,980	175,734
Earnings Per Share (EPS)				
Basic EPS				
attributable to equity holders of the Company (sen per share)	11.59	11.47	33.52	33.34
Diluted EPS				
attributable to equity holders of the Company (sen per share)	11.59	11.45	33.52	33.29

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

Condensed Consolidated Statements of Changes in Equity

	← Non-distributable →		Distributable	
	Share capital	Other reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000
FY 2019				
<u>9 months ended 31 December 2018</u>				
At 1 April 2018	230,940	3,573	588,404	822,917
Total comprehensive income	-	-	176,980	176,980
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	291	-	-	291
Share options granted under ESOS	-	2,366	-	2,366
Dividends	-	-	(52,797)	(52,797)
Total transactions with owners	291	2,366	(52,797)	(50,140)
At 31 December 2018	231,231	5,939	712,587	949,757
FY 2018				
<u>9 months ended 31 December 2017</u>				
At 1 April 2017	222,448	1,341	491,785	715,574
Total comprehensive income	-	-	175,734	175,734
Transactions with owners				
Issuance of ordinary shares pursuant to ESOS	6,603	-	-	6,603
Share options granted under ESOS	-	3,146	-	3,146
Dividends	-	-	(79,146)	(79,146)
Total transactions with owners	6,603	3,146	(79,146)	(69,397)
At 31 December 2017	229,051	4,487	588,373	821,911

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

**Condensed Consolidated Statements of Cash Flows
for the period ended 31 December 2018**

	Current Year To Date 31-Dec-18 RM'000	Preceding Year Corresponding Period 31-Dec-17 RM'000
Cash Flows From Operating Activities		
Profit before tax	236,523	233,726
Adjustments for:		
Amortisation of HDE	71,514	72,773
Amortisation of other intangible assets	181	176
Depreciation of plant and equipment	607	633
Plant and equipment written off	-	25
Other intangible assets written off	1	-
Gain on disposal of plant and equipment	(5)	(23)
Share of results of an associate	1,252	1,949
Deferred revenue recognised	(1,171)	(1,171)
Interest income	(6,332)	(7,929)
Distribution from investment securities	(639)	(279)
Profit element and fees on financing activities	44,476	50,156
Unwinding of discount on IMTNs	5,407	5,914
Profit sharing on Islamic investment	(8,542)	(5,579)
Provision for retirement benefits	352	324
Share options granted under ESOS	1,824	2,443
Provision for heavy repairs	8,237	7,471
Operating profit before working capital changes	353,685	360,609
Changes in sundry receivables	41,861	7,199
Changes in sundry payables	(6,227)	(5,608)
Changes in amount due from an associate	463	6,038
Cash generated from operations	389,782	368,238
Income tax paid	(67,401)	(62,691)
Net cash generated from operating activities	322,381	305,547
Cash Flows From Investing Activities		
Payment for HDE	(3,161)	(6,158)
Purchase of plant and equipment	(461)	(421)
Purchase of other intangible assets	-	(2)
Payment for heavy repairs	(3,514)	(11,370)
Purchase of investment securities	(638)	(19,279)
Interest received	4,372	6,555
Profit sharing on Islamic investment received	5,659	5,789
Distribution received from investment securities	639	279
Proceeds from disposal of plant and equipment	5	24
Proceeds from disposal of investment securities	11,426	-
Net cash generated from/(used in) investing activities	14,327	(24,583)

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Condensed Consolidated Statements of Cash Flows
for the period ended 31 December 2018

	Current Year To Date 31-Dec-18 RM'000	Preceding Year Corresponding Period 31-Dec-17 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares via exercise of ESOS	291	6,603
Profit element and fees on financing activities paid	(62,428)	(69,158)
Dividends paid	(52,797)	(79,146)
Repayment of IMTN I	(140,000)	(110,000)
Net cash used in financing activities	(254,934)	(251,701)
Net increase in cash and cash equivalents	81,774	29,263
Cash and cash equivalents at beginning of the year	579,587	547,054
Cash and cash equivalents at end of the period	661,361	576,317

Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed financial institutions	656,088	572,613
Cash on hand and at banks	5,273	3,704
Cash and cash equivalents at end of the period	661,361	576,317

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

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Quarterly Report On Consolidated Results For The Period Ended 31 December 2018

Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

1. Basis of Preparation

The interim financial report has been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2018, which have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and the Companies Act 2016. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 March 2018.

2. Changes in Accounting Policies

The accounting policies and presentation adopted for the condensed consolidated interim financial statements are consistent with those adopted for the audited financial statements for the year ended 31 March 2018.

On 1 April 2018, the Group and the Company adopted the following Malaysian Financial Reporting Standards (“MFRSs”), Amendments to MFRSs and IC Interpretation mandatory for annual periods beginning on or after 1 January 2018:

Effective for annual periods beginning on or after 1 January 2018:

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRSs	Annual Improvements to MFRS Standards 2014 – 2016 Cycle
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The adoption of the above standards did not have any material impact on the financial statements of the Group and of the Company.

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(The figures have not been audited)

2. Changes in Accounting Policies (Cont'd)

MFRSs, Amendments to MFRSs and IC Interpretation issued but not yet effective

At the date of authorisation of these condensed consolidated interim financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretation were issued but not yet effective and have not been applied by the Group and the Company:

Effective for annual periods beginning on or after 1 January 2019:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Amendments to MFRSs	Annual Improvements to MFRS Standards 2015 – 2017 Cycle
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement

Effective for annual periods beginning on or after 1 January 2020:

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 101	Definition of Material
Amendments to MFRS 108	Definition of Material

Effective for annual periods beginning on or after 1 January 2021:

MFRS 17	Insurance Contracts
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Effective date deferred indefinitely:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The adoption of the above standards will not have material impact on the financial statements of the Group and of the Company in the period of initial application.

3. Audit Report of Preceding Annual Financial Statements

There was no qualification in the audit report of the financial statements of the Group for the year ended 31 March 2018.

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4. Seasonality and Cyclicity of Operations

There was no significant fluctuation in the seasonality or cyclicity of operations affecting the Group.

5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current quarter and financial year to date.

6. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter and financial year to date.

7. Debt and Equity Securities

During the financial period to date, the Company increased its issued and paid up share capital (excluding share premium) from 527,903,618 as at 31 March 2018 to 527,975,618 as at 31 December 2018 by way of issuance of 72,000 new ordinary shares pursuant to the exercise of the Employee Share Option Scheme ("ESOS") at exercise prices ranging between RM3.44 and RM5.02 per ordinary share.

There were no cancellations, repurchases, resale of equity securities for the current period to date.

8. Dividend

On 27 February 2019, the Board of Directors has approved a second single tier (exempt from tax) interim dividend of 15 sen per share for the financial year ending 31 March 2019.

The second interim dividend shall be paid at a date to be determined and in respect of deposited securities, entitlement to dividend will be determined on the basis of the record of depositors at the book closure date.

In the previous year corresponding quarter for the financial year ended 31 March 2018, the Board of Directors had approved a second single tier (exempt from tax) interim dividend of 10 sen per share.

The total dividend per share for the current financial year to date ending 31 March 2019 is 25 sen inclusive of the first single tier (exempt from tax) interim dividend of 10 sen, paid on 28 September 2018. For the preceding year corresponding period, a total single tier (exempt from tax) interim dividend per share of 25 sen was declared.

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(The figures have not been audited)

9. Dividends Paid

	9 months ended 31-Dec-18 RM'000	9 months ended 31-Dec-17 RM'000
<u>Interim Dividends</u>		
Interim single tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ending 31 March 2019 paid on 28 September 2018	52,797	-
(Interim single tier (exempt from tax) dividend of 15 sen per ordinary share for the financial year ended 31 March 2018 paid on 28 September 2017)	-	79,146
	<u>52,797</u>	<u>79,146</u>

10. Segment Analysis

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
9 months ended 31 December 2018				
Revenue				
Revenue from external customers	389,584	-	-	389,584
Inter-segment revenue	-	803	(803)	-
Total revenue	<u>389,584</u>	<u>803</u>	<u>(803)</u>	<u>389,584</u>
Result				
Segment results	273,440	(560)	(96)	272,784
Interest income	13,686	1,188	-	14,874
Profit from operations	<u>287,126</u>	<u>628</u>	<u>(96)</u>	<u>287,658</u>
Finance costs	(49,883)	-	-	(49,883)
Share of results of an associate	(1,252)	-	-	(1,252)
Profit before tax	<u>235,991</u>	<u>628</u>	<u>(96)</u>	<u>236,523</u>
Income tax expense	(59,085)	(458)	-	(59,543)
Profit for the period, representing total comprehensive income	<u>176,906</u>	<u>170</u>	<u>(96)</u>	<u>176,980</u>

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

10. Segment Analysis (Cont'd)

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
9 months ended 31 December 2017				
Revenue				
Revenue from external customers	396,025	-	-	396,025
Inter-segment revenue	-	50,699	(50,699)	-
Total revenue	396,025	50,699	(50,699)	396,025
Result				
Segment results	279,399	48,714	(49,876)	278,237
Interest income	9,757	3,751	-	13,508
Profit from operations	289,156	52,465	(49,876)	291,745
Finance costs	(56,070)	-	-	(56,070)
Share of results of an associate	(1,949)	-	-	(1,949)
Profit before tax	231,137	52,465	(49,876)	233,726
Income tax expense	(56,856)	(1,136)	-	(57,992)
Profit for the period, representing total comprehensive income	174,281	51,329	(49,876)	175,734

The segment assets and segment liabilities of the Group are as follows:

	Highway		Others		Inter-segment Eliminations		Total	
	31-Dec-18 RM'000	31-Mar-18 RM'000	31-Dec-18 RM'000	31-Mar-18 RM'000	31-Dec-18 RM'000	31-Mar-18 RM'000	31-Dec-18 RM'000	31-Mar-18 RM'000
Assets and liabilities								
Segment assets	2,014,773	2,002,174	86,111	136,948	(52,968)	(53,153)	2,047,916	2,085,969
Investment in an associate	172,962	174,214	-	-	-	-	172,962	174,214
Consolidated total assets	2,187,735	2,176,388	86,111	136,948	(52,968)	(53,153)	2,220,878	2,260,183
Segment liabilities	1,270,786	1,436,347	877	1,742	(542)	(823)	1,271,121	1,437,266

The major operating segment of the Group is highway business. Explanatory comment on the performance of the highway business is provided in Note 21 and Note 22.

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(The figures have not been audited)

11. Valuation of Plant and Equipment

All plant and equipment of the Group are carried at cost less accumulated depreciation and impairment losses.

12. Material Events Subsequent to the Balance Sheet Date

There were no material events subsequent to the end of the quarter under review.

13. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date.

14. Changes in Contingent Liabilities or Contingent Assets

There are no significant contingent liabilities or contingent assets.

15. Capital Commitments

The amount of commitments for capital expenditure not provided for in the interim financial statements are as follows:

	As at 31-Dec-18 RM'000
Capital expenditure	
Approved and contracted for:	
Other intangible assets	218
Approved but not contracted for:	
Highway development expenditure	2,610
Total	2,828

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(The figures have not been audited)

16. Income Tax Expense

	Current Quarter 31-Dec-18 RM'000	Current Year To Date 31-Dec-18 RM'000
Income tax	22,451	65,549
Deferred tax	<u>(2,155)</u>	<u>(6,006)</u>
Total	<u>20,296</u>	<u>59,543</u>

For the current quarter and financial year to date, the Group's effective tax rate (excluding the results of an associate which is equity accounted net of tax) is higher than the statutory tax rate due to certain expenditure not being allowed as a deduction for tax purposes.

17. Status of Corporate Proposals

There were no corporate proposals announced but not completed at a date not earlier than 7 days from the date of issue of this announcement.

18. Group Borrowings and Debt Securities

The details of the Group's borrowings as at the end of the period are as follows:

	As at 31-Dec-18 RM'000	As at 31-Dec-17 RM'000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II	773,006	985,627
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I	220,000	140,000
Total Borrowings	<u>993,006</u>	<u>1,125,627</u>

Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II were issued in 10 series and 3 series respectively, with maturities from April 2013 to April 2023. The interest rate/profit element is fixed ranges from 4.6% to 6.0% per annum.

The Group borrowings are denominated in Ringgit Malaysia.

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

18. Group Borrowings and Debt Securities (Cont'd)

The repayment during the period are as follows:

	9 months ended 31-Dec-18 RM'000	9 months ended 31-Dec-17 RM'000
Repayment during the period	140,000	110,000

19. Disclosure of Derivatives

There were no derivatives at the date of issue of this announcement.

20. Material Litigations

There were no pending material litigations. There has been no change in the situation since 31 March 2018 to a date not earlier than 7 days from the date of issue of this announcement.

21. Comparison with Immediate Preceding Quarter's Results

	Current Quarter 31-Dec-18 RM'000	Immediate Preceding Quarter 30-Sep-18 RM'000	Changes %
Revenue	131,094	132,273	-0.9%
Profit Before Tax	81,476	80,952	0.6%
Profit After Tax	61,180	60,564	1.0%

(a) Revenue

The Group registered slightly lower revenue of RM131.1 million in the current quarter as compared to RM132.3 million recorded in the immediate preceding quarter mainly due to lower traffic volume recorded during the festive period in the current quarter.

(b) Profit before tax

Despite the lower revenue as mentioned in (a) above, the Group recorded slightly higher profit before tax of RM81.5 million in the current quarter as compared to RM81.0 million recorded in the immediate preceding quarter. This is mainly attributable to higher interest income earned and slightly improved share of results from an associate in the current quarter.

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

21. Comparison with Immediate Preceding Quarter's Results (Cont'd)

(c) Profit after tax

The Group achieved profit after tax of RM61.2 million in the current quarter as compared to RM60.6 million in the immediate preceding quarter mainly due to the reasons as mentioned above.

22. Review of Performance for the Current Quarter and Financial Year to Date

	← Individual Period →			← Cumulative Period →		
	Current Year Quarter 31-Dec-18	Preceding Year Corresponding Quarter 31-Dec-17	Changes	Current Year To Date 31-Dec-18	Preceding Year Corresponding Period 31-Dec-17	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	131,094	132,298	-0.9%	389,584	396,025	-1.6%
Profit Before Tax	81,476	80,119	1.7%	236,523	233,726	1.2%
Profit After Tax	61,180	60,515	1.1%	176,980	175,734	0.7%

(a) Revenue: Current Quarter

For the current quarter, the Group recorded lower revenue of RM131.1 million as compared to RM132.3 million recorded in the preceding year corresponding quarter mainly due to lower traffic volume plying the LDP.

(b) Revenue: Current Year to Date

For the current year to date, the Group registered lower revenue of RM389.6 million as compared to RM396.0 million recorded in the preceding year corresponding period mainly due to lower traffic volume plying the LDP including the effect of additional public holiday in connection with the GE14 in May 2018.

(c) Profit before tax: Current Quarter

Despite the lower revenue for the current quarter as mentioned in (a) above, the Group however recorded slightly higher profit before tax of RM81.5 million in the current quarter as compared to RM80.1 million recorded in the preceding year corresponding quarter mainly due to the lower finance cost in the current quarter pursuant to repayment of borrowings in April 2018.

(d) Profit before tax: Current Year to Date

For the current year to date, the Group also recorded higher profit before tax of RM236.5 million as compared to RM233.7 million recorded in the preceding year corresponding period mainly due to lower finance cost as mentioned in (c) above.

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(The figures have not been audited)

22. Review of Performance for the Current Quarter and Financial Year to Date (Cont'd)

(e) Profit after tax

The variance in profit after tax recorded in the current quarter and current year to date is mainly due to the reasons as mentioned above.

23. Current Year Prospects

Government's position

The Malaysian 14th General Election held on May 9 last year saw a change of Government from the incumbent to a new Pakatan Harapan Government. As reported in the previous quarterly report, given the current Government's fiscal constraint, the Government has indicated that there will be no move to abolish toll. In addition, the study undertaken by various related government agencies on toll highway industry is still on-going and an external consultant's report will be issued in due course.

However, on 23 February 2019, the Prime Minister's Office announced that the Government is in negotiation with the Group's major shareholder, Gamuda Berhad for the acquisition of its interests in 4 highway concessions, including Lebuhraya Damansara Puchong highway ("LDP") and Sistem Penyuraian Trafik KL Barat highway ("SPRINT"). At the date of this report and based on Gamuda Berhad's corporate announcement on the same, the negotiations are still on-going.

Traffic volume

Pursuant to the Concession Agreement, the final toll increase was scheduled for 1 January 2016. However the Government has decided to freeze toll hikes for 2019 hence defer the increase until further notice and will have to compensate Litrak for the loss in revenue as a result of the deferment.

If the Government decides to continue with the deferment of the toll increase to users, Litrak can expect tollable traffic volume to remain fairly stable and constant in the short term even after taking into account an anticipated marginal drop in traffic as a result of the completion of the Kelana Jaya and Ampang Light Rail Transit ("LRT") Extension lines in June 2016 and the opening of the Mass Rapid Transit ("MRT") Sungai Buloh-Kajang line in July 2017. The traffic data is being closely monitored as a result of these events.

Should the Government decide to pass on the full final toll increase to road users, then Litrak can expect a significant drop in tollable traffic volume, and correspondingly, revenue, similar to what occurred in October 2015 when toll rates were increased.

24. Profit Forecast or Profit Guarantees

- (a) There is no profit forecast applicable for comparison.
- (b) There is no profit guarantee by the Group.

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(The figures have not been audited)

25. Earnings Per Share

	Current Quarter 31-Dec-18	Current Year To Date 31-Dec-18
Basic		
Profit attributable to equity holders (RM'000)	61,180	176,980
Weighted average number of ordinary shares in issue ('000)	527,976	527,950
Basic earnings per ordinary share (sen)	11.59	33.52
Diluted		
Profit attributable to equity holders (RM'000)	61,180	176,980
Weighted average number of ordinary shares in issue ('000)	527,976	527,950
Effect of dilution via exercise of ESOS ('000)	27	69
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	528,003	528,019
Diluted earnings per ordinary share (sen)	11.59	33.52

26. Fair Value Hierarchy

The fair value measurement hierarchies used to measure financial assets and financial liabilities carried at fair value in the statements of financial position are as follows:

Level 1 - unadjusted quoted market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted market prices that are observable either directly or indirectly

Level 3 - inputs that are significant to the fair value measurement are unobservable

As at reporting date, the Group's and the Company's fair value for investment securities is measured at Level 1 hierarchy whereas fair values for borrowings are measured at Level 2 hierarchy.

No transfers between any levels of the fair value hierarchy took place during the current financial year and the comparative year. There were also no changes in the purpose of any financial asset and financial liability that subsequently resulted in a different classification of that asset.

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

27. Disclosure of Amount of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

There were no gains/losses arising from fair value changes of financial liabilities at the end of the quarter. The financial liabilities of the Group are not designated at fair value through profit or loss.

The above disclosure was prepared in accordance with paragraph 19 of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

28. Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current quarter and financial year to date is arrived at after charging/(crediting) the following items:

	Current Quarter 31-Dec-18	Current Year To Date 31-Dec-18
	RM'000	RM'000
Interest income	(5,807)	(14,874)
Other income	(387)	(1,245)
Finance costs	16,581	49,883
Depreciation and amortisation	24,251	72,302
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Foreign exchange gain or loss	-	-
Gain or loss on derivatives	-	-
	-	-

The above disclosure was prepared in accordance with paragraph 16 of Appendix 9B of the Main Market Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.