

Lingkaran Trans Kota Holdings Berhad (335382-V)

**Condensed Consolidated Statements of Financial Position
As at 31 December 2019**

	As at 31-Dec-19 RM'000	As at 31-Mar-19 RM'000
Assets		
Non-current assets		
Highway development expenditure ("HDE")	1,183,928	1,256,102
Plant and equipment	1,565	2,024
Other intangible assets	1,098	1,256
Investment in an associate	191,052	175,665
	<u>1,377,643</u>	<u>1,435,047</u>
Current assets		
Sundry receivables	88,424	125,328
Amount due from an associate	1,250	1,189
Tax recoverable	2	9
Investment securities	14,819	14,435
Cash and bank balances	661,278	641,490
	<u>765,773</u>	<u>782,451</u>
Total assets	<u>2,143,416</u>	<u>2,217,498</u>
Equity and liabilities		
Equity attributable to equity holders of the Company		
Share capital	244,275	231,269
Other reserve	8,683	6,215
Retained earnings	846,799	692,521
Total equity	<u>1,099,757</u>	<u>930,005</u>
Liabilities		
Non-current liabilities		
Deferred revenue	15,099	16,270
Deferred tax liabilities	186,096	191,466
Borrowings	579,258	774,809
Retirement benefit obligations	4,709	4,454
Provision for heavy repairs	18,221	20,209
	<u>803,383</u>	<u>1,007,208</u>
Current liabilities		
Provision for heavy repairs	8,369	8,369
Borrowings	200,000	220,000
Sundry payables	19,281	38,661
Tax payable	12,626	13,255
	<u>240,276</u>	<u>280,285</u>
Total liabilities	<u>1,043,659</u>	<u>1,287,493</u>
Total equity and liabilities	<u>2,143,416</u>	<u>2,217,498</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 2019 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

**Condensed Consolidated Statements of Comprehensive Income
for the period ended 31 December 2019**

	Individual Period		Cumulative Period	
	Current Year Quarter 31-Dec-19 RM'000	Preceding Year Corresponding Quarter 31-Dec-18 RM'000	Current Year To Date 31-Dec-19 RM'000	Preceding Year Corresponding Period 31-Dec-18 RM'000
Revenue	132,328	131,094	392,358	389,584
Employee benefits expenses	(6,447)	(6,864)	(20,752)	(21,274)
Maintenance expenses	(3,590)	(5,874)	(9,686)	(17,060)
Depreciation and amortisation	(24,606)	(24,251)	(72,861)	(72,302)
Other expenses	(2,860)	(2,599)	(7,726)	(7,409)
	(37,503)	(39,588)	(111,025)	(118,045)
	94,825	91,506	281,333	271,539
Interest income	5,171	5,807	13,715	14,874
Other income	556	387	1,192	1,245
Finance costs	(13,128)	(16,581)	(39,726)	(49,883)
Share of result of an associate	5,346	357	15,387	(1,252)
Profit before tax	92,770	81,476	271,901	236,523
Income tax expense	(22,153)	(20,296)	(64,535)	(59,543)
Profit for the period, representing total comprehensive income for the period	70,617	61,180	207,366	176,980
Earnings Per Share (EPS)				
Basic EPS				
attributable to equity holders of the Company (sen per share)	13.29	11.59	39.12	33.52
Diluted EPS				
attributable to equity holders of the Company (sen per share)	13.29	11.59	39.11	33.52

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 2019 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 2020				
<u>9 months ended 31 December 2019</u>				
At 1 April 2019	231,269	6,215	692,521	930,005
Total comprehensive income	-	-	207,366	207,366
Transactions with owners				
Issuance of ordinary shares				
pursuant to ESOS	13,006	-	-	13,006
Share options granted under ESOS	-	2,468	-	2,468
Dividends	-	-	(53,088)	(53,088)
Total transactions with owners	13,006	2,468	(53,088)	(37,614)
At 31 December 2019	244,275	8,683	846,799	1,099,757
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

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 2019 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 2019**

	Current Year To Date 31-Dec-19 RM'000	Preceding Year Corresponding Period 31-Dec-18 RM'000
Cash Flows From Operating Activities		
Profit before tax	271,901	236,523
Adjustments for:		
Amortisation of HDE	72,193	71,514
Amortisation of other intangible assets	153	181
Depreciation of plant and equipment	515	607
Plant and equipment written off	7	-
Other intangible assets written off	5	1
Gain on disposal of plant and equipment	(5)	(5)
Share of result of an associate	(15,387)	1,252
Deferred revenue recognised	(1,171)	(1,171)
Interest income	(5,156)	(6,332)
Distribution from investment securities	(384)	(639)
Profit element and fees on IMTNs	35,277	44,476
Unwinding of discount on IMTNs	4,449	5,407
Profit sharing on Islamic investment	(8,559)	(8,542)
Provision for retirement benefits	353	352
Reversal of doubtful debts	(1,001)	-
Share options granted under ESOS	1,851	1,824
Provision for heavy repairs	-	8,237
Operating profit before working capital changes	<u>355,041</u>	<u>353,685</u>
Changes in receivables	39,914	41,861
Changes in payables	(2,134)	(6,227)
Changes in amount due from an associate	556	463
Cash generated from operations	<u>393,377</u>	<u>389,782</u>
Income tax paid	(70,527)	(67,401)
Retirement benefits paid	(98)	-
Net cash generated from operating activities	<u>322,752</u>	<u>322,381</u>
Cash Flows From Investing Activities		
Payments for HDE	(96)	(3,161)
Purchase of plant and equipment	(63)	(461)
Payments for heavy repairs	(1,988)	(3,514)
Interest received	4,789	4,372
Profit sharing received from Islamic investment	6,917	5,659
Distribution received from investment securities	384	639
Proceeds from disposal of plant and equipment	5	5
(Purchase)/net proceeds from disposal of investment securities	(384)	10,788
Net cash generated from investing activities	<u>9,564</u>	<u>14,327</u>

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Condensed Consolidated Statements of Cash Flows
for the period ended 31 December 2019

	Current Year To Date 31-Dec-19 RM'000	Preceding Year Corresponding Period 31-Dec-18 RM'000
Cash Flows From Financing Activities		
Proceeds from issuance of ordinary shares via exercise of ESOS	13,006	291
Profit element and fees paid on IMTNs	(52,446)	(62,428)
Dividends paid	(53,088)	(52,797)
Repayment of IMTN I	(220,000)	(140,000)
Net cash used in financing activities	(312,528)	(254,934)
Net increase in cash and cash equivalents	19,788	81,774
Cash and cash equivalents at beginning of the year	641,490	579,587
Cash and cash equivalents at end of the period	661,278	661,361

Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed financial institutions	574,310	656,088
Cash on hand and at banks	86,968	5,273
Cash and cash equivalents at end of the period	661,278	661,361

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 2019 and the accompanying explanatory notes attached to the interim financial statements.

Lingkaran Trans Kota Holdings Berhad (335382-V)

Quarterly Report On Consolidated Results For The Period Ended 31 December 2019

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 2019, 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 2019.

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 2019.

On 1 April 2019, the Group and the Company adopted the following Malaysian Financial Reporting Standard (“MFRS”), Amendments to MFRSs and IC Interpretation mandatory for annual periods beginning on or after 1 January 2019:

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

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)

MFRS and Amendments to MFRSs issued but not yet effective

At the date of authorisation of these condensed consolidated interim financial statements, the following MFRS and Amendments to MFRSs 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 2020:

Amendments to MFRSs	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform

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 2019.

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.

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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 527,975,618 as at 31 March 2019 to 531,277,618 as at 31 December 2019 by way of issuance of 3,302,000 new ordinary shares pursuant to the exercise of the Employee Share Option Scheme (“ESOS”) at exercise prices ranging between RM3.45 and RM4.18 per ordinary share.

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

8. Dividend

On 27 February 2020, the Board of Directors has approved a second single-tier (exempt from tax) interim dividend of 15 sen per ordinary share for the financial year ending 31 March 2020.

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 2019, the Board of Directors had approved a second single-tier (exempt from tax) interim dividend of 15 sen per ordinary share.

The total dividend per ordinary share for the current financial year to date ending 31 March 2020 is 25 sen inclusive of the first single-tier (exempt from tax) interim dividend of 10 sen, paid on 27 September 2019. For the preceding year corresponding period, a total single-tier (exempt from tax) dividend per ordinary share of 25 sen was declared.

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(The figures have not been audited)

9. Dividends Paid

	9 months ended 31-Dec-19 RM'000	9 months ended 31-Dec-18 RM000
<u>Interim Dividends</u>		
Interim single-tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ending 31 March 2020 paid on 27 September 2019	53,088	-
(Interim single-tier (exempt from tax) dividend of 10 sen per ordinary share for the financial year ended 31 March 2019 paid on 28 September 2018)	-	52,797
	53,088	52,797

10. Segment Analysis

	Highway RM'000	Others RM'000	Inter-segment Eliminations RM'000	Total RM'000
9 months ended 31 December 2019				
Revenue				
Revenue from external customers	392,358	-	-	392,358
Inter-segment revenue	-	50,803	(50,803)	-
Total revenue	392,358	50,803	(50,803)	392,358
Results				
Segment results	283,752	48,632	(49,859)	282,525
Interest/profit income	13,100	615	-	13,715
Profit from operations	296,852	49,247	(49,859)	296,240
Finance costs	(39,726)	-	-	(39,726)
Share of result of an associate	15,387	-	-	15,387
Profit before tax	272,513	49,247	(49,859)	271,901
Income tax expense	(64,209)	(326)	-	(64,535)
Profit for the period, representing total comprehensive income for the period	208,304	48,921	(49,859)	207,366

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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 2018				
Revenue				
Revenue from external customers	389,584	-	-	389,584
Inter-segment revenue	-	803	(803)	-
Total revenue	389,584	803	(803)	389,584
Results				
Segment results	273,440	(560)	(96)	272,784
Interest/profit income	13,686	1,188	-	14,874
Profit from operations	287,126	628	(96)	287,658
Finance costs	(49,883)	-	-	(49,883)
Share of result of an associate	(1,252)	-	-	(1,252)
Profit before tax	235,991	628	(96)	236,523
Income tax expense	(59,085)	(458)	-	(59,543)
Profit for the period, representing total comprehensive income for the period	176,906	170	(96)	176,980

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

	Highway		Others		Inter-segment Eliminations		Total	
	31-Dec-19 RM'000	31-Mar-19 RM'000	31-Dec-19 RM'000	31-Mar-19 RM'000	31-Dec-19 RM'000	31-Mar-19 RM'000	31-Dec-19 RM'000	31-Mar-19 RM'000
Assets and liabilities								
Segment assets	1,911,409	2,012,346	93,449	82,238	(52,494)	(52,751)	1,952,364	2,041,833
Investment in an associate	191,052	175,665	-	-	-	-	191,052	175,665
Consolidated total assets	2,102,461	2,188,011	93,449	82,238	(52,494)	(52,751)	2,143,416	2,217,498
Segment liabilities	1,042,797	1,286,652	1,120	1,215	(258)	(374)	1,043,659	1,287,493

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

Except for as disclosed in Note 17, 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 except for the strike off of the following wholly-owned inactive subsidiaries of the Company, namely-

- (i) Midawasa Sdn Bhd
- (ii) Penyenggaraan Litrak Sdn Bhd
- (iii) Sukma Sinaran Sdn Bhd

from the register of Companies Commission of Malaysia (CCM) with effect from 11 July 2019.

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-19 RM'000
Capital expenditure	
Approved and contracted for:	
Plant and equipment	218
Approved but not contracted for:	
Highway development expenditure	6,909
Total	7,127

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

16. Income Tax Expense

	Current Quarter 31-Dec-19 RM'000	Current Year To Date 31-Dec-19 RM'000
Income tax	23,608	69,905
Deferred tax	(1,455)	(5,370)
Total	22,153	64,535

For the current quarter and financial year to date, the Group's effective tax rate (excluding the result 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

On 21 June 2019, the Company received a Letter of Offer ("LITRAK Offer") from Minister of Finance Incorporated ("MOF Inc") in respect of the MOF Inc's proposed offer to acquire all the securities of Lingkar Trans Kota Sdn Bhd ("LITRAK"), a wholly-owned subsidiary of the Company with a sum equivalent to RM2,470 million less any outstanding indebtedness as at 31 December 2019.

On the same date, Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd ("SPRINT Holdings"), the Company's 50% associated company, received a Letter of Offer ("SPRINT Offer") from MOF Inc in respect of the MOF Inc's proposed offer to acquire all the securities of Sistem Penyuraian Trafik KL Barat Sdn Bhd ("SPRINT"), a wholly-owned subsidiary of SPRINT Holdings with a sum equivalent to RM1,984 million less any outstanding indebtedness as at 31 December 2019.

Simultaneously, the MOF Inc extended its offers to acquire all the securities of KESAS Sdn Bhd ("KESAS Offer") and Syarikat Mengurus Air Banjir Dan Terowong Sdn Bhd ("SMART Offer"). The LITRAK Offer, SPRINT Offer, KESAS Offer and SMART Offer are inter-conditional upon each other.

On 3 July 2019, the Board of Directors of the Company has accepted the LITRAK Offer and SPRINT Offer. The inter-conditional of the offers have also been met upon acceptance of the offers by the respective Concession Holding Companies. The offers as a whole will be subject to shareholders approval of Gamuda requiring a simple majority vote, whereas the LITRAK Offer and SPRINT Offer collectively will be subject to shareholders approval of the Company requiring a 75% majority vote.

Lingkaran Trans Kota Holdings Berhad (335382-v)

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

17. Status of Corporate Proposals (Cont'd)

The LITRAK Offer and SPRINT Offer are subject to the following conditions:

- (a) Satisfactory due diligence findings;
- (b) The approval of the Cabinet of Malaysia;
- (c) The execution of the Definitive Agreements in respect of LITRAK Offer and SPRINT Offer, and adherence to the terms of these offers;
- (d) The requisite approval from the shareholders of the Company for the disposal of the securities held in LITRAK and SPRINT;
- (e) The requisite approval from the shareholders of SPRINT Holdings for the disposal of the securities held in SPRINT; and
- (f) The approval or consent of the creditors of the Company/SPRINT Holdings and/or LITRAK/SPRINT, where applicable.

On 28 August 2019, MOF Inc, the Company and SPRINT Holdings have mutually agreed to extend the Cut-Off Date to negotiate and finalise the terms of the Definitive Agreements from 30 August 2019 to 31 October 2019 in respect of the LITRAK Offer and SPRINT Offer.

On 30 October 2019, MOF Inc, the Company and SPRINT Holdings have mutually agreed to the following in respect of LITRAK Offer and SPRINT Offer:

- (i) The Cut-Off date to negotiate and finalise the terms of the Definitive Agreements shall be further extended from 31 October 2019 to 31 December 2019;
- (ii) The Long Stop Date to satisfy the Conditions Precedent shall be extended from 29 November 2019 to 29 February 2020; and
- (iii) The date of Completion shall be extended from 31 December 2019 to a date which shall be no later than 31 March 2020.

On 18 December 2019, MOF Inc, the Company and SPRINT Holdings have mutually agreed to the following in respect of LITRAK Offer and SPRINT Offer:

- (i) The Cut-Off date to negotiate and finalise the terms of the Definitive Agreements shall be further extended from 31 December 2019 to 29 February 2020; and
- (ii) The Long Stop Date to satisfy the Conditions Precedent and the date of Completion shall be further extended to a date which shall be mutually agreed between MOF Inc, the Company and SPRINT Holdings.

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Quarterly Report On Consolidated Results For The Period Ended 31 December 2019

Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

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-19 RM'000	As at 31-Dec-18 RM000
Secured:		
<u>Long Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I and IMTN II	579,258	773,006
<u>Short Term Borrowings</u>		
Sukuk Musyarakah Medium Term Notes - IMTN I	200,000	220,000
Total Borrowings	779,258	993,006

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.

The repayment during the period are as follows:

	9 months ended 31-Dec-19 RM'000	9 months ended 31-Dec-18 RM000
Repayment during the period	220,000	140,000

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 2019 to a date not earlier than 7 days from the date of issue of this announcement.

Lingkaran Trans Kota Holdings Berhad (335382-V)

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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

	Current Quarter 31-Dec-19	Immediate Preceding Quarter 30-Sep-19	Changes
	RM'000	RM000	%
Revenue	132,328	131,190	0.9%
Profit Before Tax	92,770	90,432	2.6%
Profit After Tax	70,617	68,981	2.4%

(a) Revenue

The Group registered slightly higher revenue of RM132.3 million in the current quarter as compared to RM131.2 million recorded in the immediate preceding quarter attributable to higher traffic volume plying the Lebuhraya Damansara Puchong highway ("LDP") in the current quarter.

The Group recorded lower traffic volume in the immediate preceding quarter as a result of more public holidays in the quarter.

(b) Profit before tax

Similarly, the Group recorded higher profit before tax of RM92.8 million in the current quarter as compared to RM90.4 million recorded in the immediate preceding quarter mainly due to higher toll revenue as mentioned in (a) above and higher interest income earned in the current quarter.

(c) Profit after tax

The Group achieved profit after tax of RM70.6 million in the current quarter as compared to RM69.0 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-19	Preceding Year Corresponding Quarter 31-Dec-18	Changes	Current Year To Date 31-Dec-19	Preceding Year Corresponding Period 31-Dec-18	Changes
	RM'000	RM000	%	RM'000	RM000	%
Revenue	132,328	131,094	0.9%	392,358	389,584	0.7%
Profit Before Tax	92,770	81,476	13.9%	271,901	236,523	15.0%
Profit After Tax	70,617	61,180	15.4%	207,366	176,980	17.2%

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Explanatory Notes to the Interim Financial Statements

(The figures have not been audited)

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

(a) Revenue: Current Quarter

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

(b) Revenue: Current Year to Date

For the current year to date, the Group recorded higher revenue of RM392.4 million as compared to RM389.6 million recorded in the preceding year corresponding period attributable to higher traffic volume plying the LDP.

In the preceding year corresponding period, the Group recorded lower revenue due to the lower traffic volume plying the LDP including the effect of additional public holidays in connection with the GE14 in May 2018.

(c) Profit before tax: Current Quarter

For the current quarter, the Group achieved higher profit before tax of RM92.8 million in the current quarter as compared to RM81.5 million recorded in the preceding year corresponding quarter mainly attributable to the following:

- (i) Slightly higher toll revenue as mentioned in (a) above;
- (ii) Lower maintenance expenses;
- (iii) Lower finance cost pursuant to scheduled repayment of bonds in April 2019; and
- (iv) Share of higher profit in SPRINT Group amounting to RM5.3 million in the current quarter as compared to RM0.4 million recorded in the preceding year corresponding quarter. SPRINT Group recognised higher revenue from the scheduled toll rates increase for Penchala Link – Mont Kiara Toll Plaza commencing on 1 January 2019.

(d) Profit before tax: Current Year to Date

The Group achieved higher profit before tax of RM271.9 million in the current year to date as compared to RM236.5 million recorded in the preceding year corresponding period. The increase in profit before tax mainly attributable to the following:

- (i) Higher toll revenue as mentioned in (b) above;
- (ii) Lower maintenance expenses;
- (iii) Lower finance cost as mentioned in (c)(iii) above; and
- (iv) Share of higher profit in SPRINT Group amounting to RM15.4 million in the current year to date as compared to share of loss of RM1.3 million recorded in the preceding year corresponding period due to reason as mentioned in (c)(iv) above.

(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.

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23. Current Year Prospects

Notwithstanding the proposed takeover offers by the Government as discussed in Note 17, the Government had in 2019 announced a freeze in toll rates for all 21 highways which were eligible for an increase in 2019 in order to alleviate the burden of rising living costs of the *Rakyat*. On 9 January 2020, the Government had further announced that it will continue to freeze toll rates hikes for all highways which were eligible for increase for calendar year 2020. Accordingly, for the Group, toll rates on LDP and SPRINT Highway's Kerinchi Link and Penchala Link will remain unchanged and compensation payable by the Government will be determined in accordance with the provisions of the respective Concession Agreements.

Going forward, traffic volume on both LDP and SPRINT Highway are expected to see marginal growth. Competition from competing road alignments including the recent 18% reduction of toll rates across all PLUS highways beginning 1 February 2020, and public transportation via the subsidised monthly pass RM100 since 1 January 2019 may negatively affect the tollable traffic volume for both highways of the Group.

For LDP, as there is no longer any scheduled toll increase until the end of the concession, revenue growth can only be achieved by tollable traffic growth. Similarly for SPRINT Highway-Penchala Link, there is no further scheduled toll increase from 2019 until the end of the concession. However, for SPRINT Highway's Damansara Link and Kerinchi Link, there is still one last scheduled toll rate increase for both toll plazas in 2022. Hence, revenue growth can be expected from both tollable traffic growth and toll rates increases.

Should the proposed takeover materialise, the Group will then have disposed its entire interests in both Lingkar Trans Kota Sdn Bhd and Sistem Penyuraian Trafik KL Barat Sdn Bhd, the concession owners of LDP and SPRINT Highway respectively. Consequently, the Company will be deemed a Practice Note 16 ("PN16") Cash Company according to Bursa Malaysia's Main Market Listing Requirements ("MMLR"). As such, the Board/Company will then have to decide on the utilisation of proceeds derived from the sale of LDP and SPRINT Highway and reassess the future direction of the Group. The Board is currently still assessing the available options to the Company and our shareholders.

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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25. Earnings Per Share

	Current Quarter 31-Dec-19	Current Year To Date 31-Dec-19
Basic		
Profit attributable to equity holders (RM'000)	70,617	207,366
Weighted average number of ordinary shares in issue ('000)	531,193	530,012
Basic earnings per ordinary share (sen)	13.29	39.12
Diluted		
Profit attributable to equity holders (RM'000)	70,617	207,366
Weighted average number of ordinary shares in issue ('000)	531,193	530,012
Effect of dilution via exercise of ESOS ('000)	226	211
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	531,419	530,223
Diluted earnings per ordinary share (sen)	13.29	39.11

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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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-19	Current Year To Date 31-Dec-19
	RM'000	RM'000
Interest income	(5,171)	(13,715)
Other income	(556)	(1,192)
Finance costs	13,128	39,726
Depreciation and amortisation	24,606	72,861
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 ("MMLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MMLR are not applicable to the Group.