

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 SEPTEMBER 2013	30 SEPTEMBER 2012	30 SEPTEMBER 2013	30 SEPTEMBER 2012
	RM'000	RM'000	RM'000	RM'000
Operating revenue	21,094	19,343	57,078	57,293
Other operating income	91	887	10,683	2,774
Depreciation	(2,922)	(3,136)	(8,702)	(9,349)
Other operating expenses	(15,364)	(14,705)	(45,515)	(43,847)
Profit from operations	2,899	2,389	13,544	6,871
Finance costs	(1,167)	(1,117)	(3,378)	(3,403)
Share in results of associated company	(1,053)	(439)	(1,495)	(267)
Profit before taxation	679	833	8,671	3,201
Taxation	(214)	(402)	(2,422)	(1,024)
Profit for the period	465	431	6,249	2,177
Basic earnings per ordinary share (sen)	0.21	0.19	2.80	0.98

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT FINANCIAL YEAR TO DATE	PRECEDING FINANCIAL YEAR TO DATE
	30 SEPTEMBER 2013	30 SEPTEMBER 2012	30 SEPTEMBER 2013	30 SEPTEMBER 2012
	RM'000	RM'000	RM'000	RM'000
Profit for the period	465	431	6,249	2,177
Foreign currency translation differences for foreign operations	(4,402)	(1,790)	(5,036)	(2,502)
Fair value of available-for-sale financial assets	(972)	(182)	7,166	(3,340)
Share of other comprehensive (loss) / income of associated company	(8)	(63)	4,310	(1,017)
Total comprehensive (loss) / income for the period	(4,917)	(1,604)	12,689	(4,682)

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013

	As at 30 SEPTEMBER 2013 RM'000	Audited as at 31 DECEMBER 2012 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	295,363	289,721
Investment in an associate	28,134	25,319
Other investments	91	91
Other receivables	4,928	5,013
Goodwill on consolidation	12,144	11,994
TOTAL NON-CURRENT ASSETS	340,660	332,138
CURRENT ASSETS		
Inventories	304	213
Trade receivables	2,262	2,866
Other receivables	2,599	2,458
Tax recoverable	164	1,542
Available-for-sale financial assets	44,939	37,773
Financial assets at fair value through profit or loss	47,233	19,590
Deposits, cash and bank balances	26,497	35,362
Non-current asset classified as held for sale	-	24,111
TOTAL CURRENT ASSETS	123,998	123,915
TOTAL ASSETS	464,658	456,053
CAPITAL AND RESERVES		
Share capital	223,068	223,068
Reserves	131,584	122,241
TOTAL EQUITY	354,652	345,309
NON-CURRENT LIABILITIES		
Bank borrowings	70,664	70,019
Deferred taxation	12,682	12,682
TOTAL NON-CURRENT LIABILITIES	83,346	82,701
CURRENT LIABILITIES		
Trade payables	2,170	2,136
Other payables	17,321	19,082
Bank borrowings	7,169	6,825
TOTAL CURRENT LIABILITIES	26,660	28,043
TOTAL EQUITY AND LIABILITIES	464,658	456,053

Net assets per share attributable
to ordinary equity holders of the parent (RM)

1.59

1.55

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	Share capital	<----- Non-distributable ----->			<--Distributable--> Unappropriated profits	Total
	Share premium	Foreign currency translation reserve	Fair value reserve			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>PERIOD ENDED 30 JUNE 2012</u>						
At 1 January 2012	223,068	79,437	(732)	38,370	11,571	351,714
Total comprehensive (loss) / income for the period	-	-	(2,502)	(4,357)	2,177	(4,682)
Dividend paid (Note A7)	-	-	-	-	(3,346)	(3,346)
At 30 September 2012	<u>223,068</u>	<u>79,437</u>	<u>(3,234)</u>	<u>34,013</u>	<u>10,402</u>	<u>343,686</u>
<u>PERIOD ENDED 30 SEPTEMBER 2013</u>						
At 1 January 2013	223,068	79,437	(3,564)	35,866	10,502	345,309
Total comprehensive (loss) / income for the period	-	-	(5,036)	11,476	6,249	12,689
Dividend paid (Note A7)	-	-	-	-	(3,346)	(3,346)
At 30 September 2013	<u>223,068</u>	<u>79,437</u>	<u>(8,600)</u>	<u>47,342</u>	<u>13,405</u>	<u>354,652</u>

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2013

	9 months ended 30 SEPTEMBER 2013	9 months ended 30 SEPTEMBER 2012
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		
Profit before taxation	8,671	3,201
Adjustments for:-		
Reversal of allowance for doubtful debts (net of write back)	-	3
Bad debts recovered	(11)	(1)
Depreciation of property, plant and equipment	8,702	9,349
Interest income	(327)	(632)
Dividend income	(3,006)	(1,609)
Interest expense	3,378	3,403
Share in results of an associate	1,495	267
Fair value gain on financial assets at FVTPL	(873)	(741)
Property, plant and equipment written off	43	566
Loss on disposal of property, plant and equipment	74	43
Gain on disposal of non-current asset held for sale	(6,803)	-
Operating profit before working capital changes	11,343	13,849
Changes in:-		
Inventories	(91)	35
Receivables	573	(18,489)
Payables	(1,992)	1,341
Cash generated from / (used in) operations	9,833	(3,264)
Income taxes paid	(2,567)	(1,046)
Income taxes recovered	1,830	739
Interest received	314	605
Net cash generated from / (used in) operating activities	9,410	(2,966)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	3,006	1,609
Proceeds from disposal of available-for-sale investment	10,000	37,620
Proceeds from disposal of property, plant and equipment	61	14
Proceeds from disposal of non-current asset held for sale	28,176	-
Purchase of property, plant and equipment	(14,389)	(8,246)
Purchase of available-for-sale investment	(36,770)	(16,315)
Net cash (used in) / generated from investing activities	(9,916)	14,682
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	14,906	-
Repayment of bank borrowings	(14,386)	(4,800)
Interest paid	(3,378)	(3,403)
Dividend paid	(3,346)	(3,346)
Net cash used in financing activities	(6,204)	(11,549)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(6,710)	167
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	35,362	36,266
EFFECT OF EXCHANGE RATE CHANGES	(2,624)	(279)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	26,028	36,154
Cash and cash equivalents comprise:		
Cash in hand and at bank	7,200	11,149
Short term deposits with licensed banks	19,297	25,005
	26,497	36,154
Bank overdraft included in bank borrowings	(469)	-
	26,028	36,154

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012.

THE NOMAD GROUP BHD (426627-H)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2013

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The Unaudited Quarterly Report has been prepared in accordance with the Malaysian Financial Reporting Standards 134 ('MFRS' 134) issued by the Malaysian Accounting Standards Board ('MASB') on 'Interim Financial Reporting' and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ('BMSB').

The accounting policies and methods of computations adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2012.

A2. Audit Report of Previous Annual Financial Report

The audit report of the previous annual financial report was not qualified.

A3. Seasonal or Cyclical Factors

The Group's operations were not affected by any seasonal or cyclical factors.

A4. Unusual Items Affecting Financial Statements

There were no unusual items affecting the financial statements for the quarter ended 30 September 2013.

A5. Changes in Accounting Estimates

There were no changes in the accounting estimates used in the preparation of the financial statements in the current financial period as compared to the previous financial year.

A6. Debts and Equity Securities

There was no transaction in Group debts and equity securities for the period ended 30 September 2013.

A7. Dividend Paid

The following dividend was paid during the current and previous year corresponding financial quarter:-

	<u>30.09.2013</u>	<u>30.09.2012</u>
Final dividend for financial year	31 December 2012	31 December 2011
Approved and declared on	09 May 2013	10 May 2012
Date paid	20 May 2013	21 May 2012
Number of ordinary share on which dividends were paid ('000)	223,068	223,068
Amount per share	2.0 sen	2.0 sen
	less tax of 25%	less tax of 25%
Net dividend paid (RM'000)	3,346	3,346

A8. Segmental Information

Analysis of the Group's revenue and results for the financial period ended 30 September 2013 by operating segments are as follows:

Nine months ended 30 September 2013

	Investment holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Domestic Operations :</u>					
Revenue					
External	3,185	34,010	6,612	-	43,807
Intersegment sales	-	1,068	-	(1,068)	-
	<u>3,185</u>	<u>35,078</u>	<u>6,612</u>	<u>(1,068)</u>	<u>43,807</u>
Results					
Segment results	3,792	3,632	(3,329)	-	4,095
Share in results of an associate					(1,495)
Profit before taxation					<u>2,600</u>
Assets					
Segment assets	104,359	299,258	7,962	-	411,579
Investment in an associate					28,134
Total assets					<u>439,713</u>
Liabilities					
Segment Liabilities	426	96,340	2,611	-	99,377
					Total Overseas Operations
					RM'000
<u>Overseas Operations ^ :</u>					
Revenue					
External	-	-	13,271	-	13,271
Results					
Segment results	-	-	6,071	-	6,071
Share in results of an associate					-
Profit before taxation					<u>6,071</u>
Assets					
Segment assets	-	-	24,945	-	24,945
Investment in an associate					-
Total assets					<u>24,945</u>
Liabilities					
Segment Liabilities	-	-	10,629	-	10,629
					Group Total
					RM'000
<u>Group :</u>					
Revenue					
External	3,185	34,010	19,883	-	57,078
Intersegment sales	-	1,068	-	(1,068)	-
	<u>3,185</u>	<u>35,078</u>	<u>19,883</u>	<u>(1,068)</u>	<u>57,078</u>
Results					
Segment results	3,792	3,632	2,742	-	10,166
Share in results of an associate					(1,495)
Profit before taxation					<u>8,671</u>
Assets					
Segment assets	104,359	299,258	32,907	-	436,524
Investment in an associate					28,134
Total assets					<u>464,658</u>
Liabilities					
Segment Liabilities	426	96,340	13,240	-	110,006

[^] Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

A8. Segmental Information (continued)

Segmental analysis for the preceding corresponding financial period ended 30 September 2012 are as follows:

Nine months ended 30 September 2012

	Investment holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations
	RM'000	RM'000	RM'000	RM'000	RM'000
Domestic Operations :					
Revenue					
External	1,801	32,471	9,038	-	43,310
Intersegment sales	-	1,300	-	(1,300)	-
	1,801	33,771	9,038	(1,300)	43,310
Results					
Segment results	1,009	2,920	(653)	-	3,276
Share in results of an associate					(267)
Profit before taxation					3,009
Assets					
Segment assets	83,464	267,317	10,581	-	361,362
Investment in an associate					24,153
Total assets					385,515
Liabilities					
Segment Liabilities	385	87,873	2,987	-	91,245
					Total Overseas Operations RM'000
Overseas Operations ^ :					
Revenue					
External	-	-	13,983	-	13,983
Results					
Segment results	-	-	192	-	192
Share in results of an associate					-
Profit before taxation					192
Assets					
Segment assets	-	-	57,321	-	57,321
Investment in an associate					-
Total assets					57,321
Liabilities					
Segment Liabilities	-	-	7,905	-	7,905
					Group Total RM'000
Group :					
Revenue					
External	1,801	32,471	23,021	-	57,293
Intersegment sales	-	1,300	-	(1,300)	-
	1,801	33,771	23,021	(1,300)	57,293
Results					
Segment results	1,009	2,920	(461)	-	3,468
Share in results of an associate					(267)
Profit before taxation					3,201
Assets					
Segment assets	83,464	267,317	67,902	-	418,683
Investment in an associate					24,153
Total assets					442,836
Liabilities					
Segment Liabilities	385	87,873	10,892	-	99,150

[^] Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

A9. Revaluation of Property, Plant and Equipment

There was no revaluation on any of the Group's property, plant and equipment during the quarter under review.

A10. Subsequent Event

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

A11. Changes in the Composition of the Group

A wholly-owned subsidiary, The Nomad Offices Asia Sdn Bhd ("TNOASB") was incorporated on 2 July 2013.

The authorised share capital of TNOASB is RM400,000 divided into 400,000 ordinary shares of RM1.00 each of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up.

A12. Changes in Contingent Liabilities or Contingent Assets**Guarantees**

In the ordinary course of business, contingent liabilities of the Group comprise:-

	As At 30 September 2013 RM'000
Bank guarantee facilities granted to suppliers for services provided	<u>655</u>

Other than the above, there were no material contingent liabilities or contingent assets not provided for in the financial statement as at 30 September 2013.

A13. Commitment

There were no material commitments not provided for in the financial statement as at 30 September 2013.

A14. Operating Lease Arrangements

The future aggregate minimum lease payables under non-cancellable operating leases contracted for as at the date of statement of financial position but not recognised as payables are as follows:

	As At 30 September 2013 RM'000
Within one year	13,821
In the second to fifth year inclusive	10,695
Total future minimum lease payables	<u>24,516</u>

A15. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business based on normal commercial terms and on arms' length basis.

B1. Review of the Performance of the Group

a) Current Year-to-date vs. Previous Year-to-date

The Group's pre-tax profit for the period ended 30 September 2013 was higher than the previous year corresponding period by RM5.5 million (2013 : RM8.7 million, 2012 : RM3.2 million).

Performance of the respective operating business segments is analysed as follows:-

- 1) Investment holding - The current year-to-date pre-tax profit was RM2.3 million compared with the previous year corresponding period of RM0.7 million. This increase was mainly due to higher dividend income received from investments and higher interest income arising from money market placements. However, this is offset by the share of loss in associate company of RM1.5 million compared to share of loss of RM0.3 million for previous year corresponding period.
- 2) Serviced residences - The pre-tax profit increased by RM0.7 million for the current year-to-date compared to the previous year corresponding period. This was mainly due to higher revenue and lower operating costs from this segment.
- 3) Serviced offices - The serviced offices segment generated a pre-tax profit of RM2.7 million for the current year-to-date compared to a pre-tax loss of RM0.5 million for the previous year corresponding period. The increase was mainly due to the profit from the sale of a land measuring 2,553 sq meter held under HGB No. 1261/1998 together with a constructed 9-storey office building located at Jalan Probolinggo 18, Menteng, Central Jakarta, Indonesia , which was completed on 8 February 2013. Higher pre-tax profit was also due to unrealised foreign exchange gain of RM5.2 million, offset by impairment of investment in a subsidiary of RM 4.0 million and higher operating expenses from non-matured serviced offices open during the period.

b) Current Quarter vs. Previous Year Corresponding Quarter

For the current quarter ended 30 September 2013, the Group recorded a lower pre-tax profit at RM0.7 million compared with RM0.8 million in the previous year corresponding quarter.

Performance of the respective operating business segments is analysed as follows:-

- 1) Investment holding – For the current quarter under review, the pre-tax profit was RM0.8 million higher compared to the previous year corresponding quarter. The increase was mainly due to higher dividend income received from investments, offset by a higher share of loss in an associate company.
- 2) Serviced residences – The pre-tax profit for the current quarter under review was RM1.5 million compared to RM1.1 million in the previous year corresponding quarter. The increase of RM0.4 million was mainly due to higher revenue and lower operating cost.
- 3) Serviced offices – The pre-tax loss for the current quarter under review was RM1.8 million compared to RM0.5 million in the previous year corresponding quarter. The increase was mainly due to higher operating costs from the new serviced office centres in Kuala Lumpur, Jakarta and Bangkok which have yet to mature, and impairment of investment in a subsidiary of RM 4.0 million, mitigated by unrealised foreign exchange gain of RM5.1 million.

The Board of Directors is of the opinion that there have been no transactions or events that have arisen which would significantly affect the results of the operations of the Group for the period ended 30 September 2013 to the date of this announcement.

B2. Material Changes in Quarterly Results

	Current Quarter 30 September 2013 RM'000	Preceding Quarter 30 June 2013 RM'000
Revenue	21,094	18,733
Profit Before Tax	679	1,102

For the current quarter ended 30 September 2013, the Group recorded higher revenue by RM2.4 million but lower pre-tax profit by RM0.4 million compared to preceding quarter. The performance of the respective business segments is analysed as follows :-

- 1) Investment holding - For the current quarter under review, the revenue increase by RM1.4 but pre-tax profit decreased by RM1.3 million compared to the preceding quarter. Share of loss in an associate company of RM1.1 million resulted lower pre-tax profit, mitigated by higher dividend income received from investment in shares.
- 2) Serviced residences – For the current quarter under review, the revenue and pre-tax profit increased by RM0.6 million and RM0.2 million respectively compared to the preceding quarter. This was mainly due to higher revenue achieved.
- 3) Serviced offices – For the current quarter under review, the revenue increase by RM0.4 million and pre-tax loss decrease by RM0.7 million compared to the preceding quarter. This was mainly due to the unrealised foreign exchange gain of RM5.1 million, offset by impairment of investment in a subsidiary and higher operating cost.

B3. Current Year Prospects

In view of the continued uncertainty surrounding the global economy, the Board anticipates that the business environment in which the Group operates will be challenging for the remaining financial year 2013.

B4. Profit Forecast

No profit forecast was announced hence there is no comparison between actual results and forecast.

B5. Operating Profit

	Current Quarter 30 September		Year to date 30 September	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Included in the operating profit are:-				
Interest income	88	168	327	632
Other income including investment income	76	886	10,470	2,468
Interest expense	(1,167)	(1,117)	(3,378)	(3,403)
Depreciation	(2,922)	(3,136)	(8,702)	(9,349)
Bad debts (written off) / recovered	(2)	(0)	11	1
Reversal of allowance for doubtful debts	-	6	-	3
Foreign exchange gain / (loss)	5,070	(363)	5,517	(462)

B6. Taxation

Taxation comprised the following:-

	Current quarter 30 September 2013 RM'000	Year to date 30 September 2013 RM'000
Tax Expense	214	2,422

The effective income tax rate of the group for current quarter and nine months ended 30.09.2013 is higher than the statutory tax rate mainly due to the absence of Group relief for tax losses of certain overseas subsidiaries and certain expenses not allowed for tax purposes, mitigated by tax exempted income.

B7. Status of Corporate Proposal

There were no corporate proposals announced but not completed as at the date of this announcement.

B8. Group Borrowings and Debt Securities

The Group's borrowings are secured, denominated in Ringgit Malaysia and classified as follows: -

	30 September 2013
	RM'000
Current	7,169
Non-current	70,664
	<u>77,833</u>

B9. Material Litigations

There were no material litigation which would have a material impact on the Group.

B10. Dividend Proposed and Declared

Details of the interim dividend approved and declared by the Board of Directors is as follow:-

	<u>30.09.2013</u>	<u>30.09.2012</u>
Interim dividend for financial year	31 December 2013	31 December 2012
Dividend per share	3.0 sen	-
	less tax of 25%	-
Approved and declared on	14 November 2013	-
Entitlement to dividends based on Record of Depositors as at	06 December 2013	-
Date payable	17 December 2013	-

B11. Earnings Per Share ('EPS')

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Financial Year 30 September 2013 RM'000	Preceding Corresponding Financial Year 30 September 2012 RM'000	Current Financial Year To Date 30 September 2013 RM'000	Preceding Financial Year To Date 30 September 2012 RM'000
Basic Earnings per ordinary share				
Group profit after tax used as numerator in the calculation of basic EPS	465	431	6,249	2,177
Weighted average no. of ordinary shares in issue used as denominator in the calculation of basic EPS ('000)	223,068	223,068	223,068	223,068
Basic Earnings Per Ordinary Share (sen)	0.21	0.19	2.80	0.98
Diluted Earnings Per Ordinary Share (sen)	0.21	0.19	2.80	0.98

B12. Realised and Unrealised Unappropriated Profits

The realised and unrealised unappropriated profits of the Group are as follows:

	30.09.2013	31.12.2012
	RM'000	RM'000
Total unappropriated profits of the Company and its subsidiaries:		
- Realised profits	12,263	16,062
- Unrealised losses	(7,795)	(13,043)
Total share of unappropriated profits from an associate:		
- Realised profits	11,747	8,932
- Unrealised losses	(2,810)	(1,449)
	-----	-----
	13,405	10,502
	=====	=====

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution dated 14 November 2013.

By order of the Board
THE NOMAD GROUP BHD
JENNY WONG CHEW BOEY (MAICSA 7006120)
Secretary
Kuala Lumpur
14 November 2013