

**INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 31 MARCH 2019**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		9 Months Ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue	36,949	83,437	136,564	178,885
Cost of sales	(17,015)	(47,880)	(62,571)	(89,638)
Gross profit	19,934	35,557	73,993	89,247
Investment revenue	4,142	4,301	12,355	12,998
Other income	4,550	3,124	9,130	7,309
Finance costs	(302)	(304)	(923)	(968)
Administrative expenses	(17,524)	(19,925)	(57,305)	(55,709)
Other expenses	(398)	(651)	(1,375)	(1,945)
Profit before taxation	10,402	22,102	35,875	50,932
Taxation	(3,971)	(5,641)	(12,866)	(14,250)
Profit for the period	6,431	16,461	23,009	36,682
Other comprehensive income/ (expense)	151	4,502	(4,123)	1,098
Total comprehensive income for the period	6,582	20,963	18,886	37,780
Profit for the period attributable to:				
Owners of the Company	6,431	16,461	23,009	36,682
Total comprehensive income attributable to:				
Owners of the Company	6,582	20,963	18,886	37,780
Earnings per share (sen)				
- Basic / Diluted	1.7	4.3	6.0	9.6

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the Explanatory Notes for the quarter ended 31 March 2019)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2019 (Unaudited) RM'000	As at 30.06.2018 (Restated) RM'000	As at 01.07.2017 (Restated) RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	684,516	619,563	563,931
Inventories- Land held for future development	159,142	159,440	193,998
Inventories- Property development projects - non current portion	174,699	198,970	160,041
Investment properties	62,464	63,161	63,015
Deferred tax assets	16,350	16,350	18,126
	<u>1,097,171</u>	<u>1,057,484</u>	<u>999,111</u>
CURRENT ASSETS			
Inventories- Property development projects - current portion	125,453	171,656	211,968
Inventories- Completed units	138,780	29,597	30,690
Trade receivables	33,289	19,783	40,378
Other receivables, deposits and prepaid expenses	12,529	13,461	12,214
Contracts assets	1,257	3,104	8,679
Tax recoverable	10,614	9,844	6,591
Short term investments	96,120	99,272	64,371
Fixed income trust funds	-	-	15,548
Fixed deposits with licensed banks	144,391	249,267	247,044
Cash and bank balances	86,584	80,501	80,892
	<u>649,017</u>	<u>676,485</u>	<u>718,375</u>
TOTAL ASSETS	<u>1,746,188</u>	<u>1,733,969</u>	<u>1,717,486</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315	515,315	515,315
Reserves	1,042,024	1,040,307	1,009,294
TOTAL EQUITY	<u>1,557,339</u>	<u>1,555,622</u>	<u>1,524,609</u>
NON-CURRENT LIABILITIES			
Bank borrowings	21,131	23,284	30,538
Deferred tax liabilities	31,156	31,155	32,199
	<u>52,287</u>	<u>54,439</u>	<u>62,737</u>
CURRENT LIABILITIES			
Trade payables	22,657	39,146	32,698
Retention monies	19,606	23,350	31,140
Other payables, accrued expenses and provisions	43,676	41,385	57,999
Contract liabilities	47,296	17,978	6,778
Bank borrowings	2,575	1,054	600
Tax liabilities	752	995	925
	<u>136,562</u>	<u>123,908</u>	<u>130,140</u>
TOTAL LIABILITIES	<u>188,849</u>	<u>178,347</u>	<u>192,877</u>
TOTAL EQUITY & LIABILITIES	<u>1,746,188</u>	<u>1,733,969</u>	<u>1,717,486</u>
Net assets per share attributable to owners of the Company (RM)	4.08	4.08	4.00

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the Explanatory Notes for the quarter ended 31 March 2019)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-distributable		Distributable		
	Share Capital	Available For-Sale Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
9 Months Ended 31 March 2019					
At 1 July 2018 (as previously reported)	515,315	15,790	53	1,028,162	1,559,320
Effect of transition to MFRSs	-	-	-	(3,698)	(3,698)
Restated balance at 1 July 2018	515,315	15,790	53	1,024,464	1,555,622
Net profit for the period	-	-	-	23,009	23,009
Fair value changes on available-for-sale financial assets	-	(4,372)	-	-	(4,372)
Foreign currency translation difference for foreign operation	-	-	249	-	249
Total comprehensive (expense)/ income for the financial period	-	(4,372)	249	23,009	18,886
Dividend for the financial year ended 30 June 2018 - final dividend	-	-	-	(17,169)	(17,169)
At 31 March 2019	515,315	11,418	302	1,030,304	1,557,339

	Non-distributable		Distributable		
	Share Capital	Available For-Sale Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
9 Months Ended 31 March 2018					
At 1 July 2017	515,315	13,209	839	993,272	1,522,635
Effect of transition to MFRSs	-	-	-	1,974	1,974
Restated balance at 1 July 2017	515,315	13,209	839	995,246	1,524,609
Net profit for the period	-	-	-	36,682	36,682
Fair value changes on available-for-sale financial assets	-	1,822	-	-	1,822
Foreign currency translation difference for foreign operation	-	-	(724)	-	(724)
Total comprehensive (expense)/ income for the financial period	-	1,822	(724)	36,682	37,780
Dividend for the financial year ended 30 June 2017 - final dividend	-	-	-	(17,169)	(17,169)
At 31 March 2018	515,315	15,031	115	1,014,759	1,545,220

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the Explanatory Notes for the quarter ended 31 March 2019)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	9 Months Ended	
	31.03.2019	31.03.2018
	RM'000	(Restated)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	35,875	50,932
Adjustments for:-		
Depreciation and amortisation	15,138	13,340
Other non-cash items	(9,243)	(10,563)
Profit Before Working Capital Changes	41,770	53,709
Net change in current assets	(49,189)	17,838
Net change in current liabilities	11,376	(4,686)
Cash Generated From Operations	3,957	66,861
Interest income received	952	918
Income tax refunded	57	396
Income tax paid	(13,936)	(13,794)
Net Cash (Used in)/Generated From Operating Activities	(8,970)	54,381
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	4,387	6,519
Proceeds from disposal of property, plant and equipment	-	87
Proceeds from disposal of investment property	960	-
Purchase of property, plant & equipment	(80,018)	(2,953)
Purchase of short term investment	(1,420)	-
Proceeds from disposal of short term investments	200	-
Dividend income received	4,481	4,117
Net Cash (Used In)/Generated From Investing Activities	(71,410)	7,770
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(17,169)	(17,169)
Interest paid	(923)	(968)
Repayment of bank borrowings	(632)	(6,800)
Net Cash Used In Financing Activities	(18,724)	(24,937)
NET (DECREASE)/ INCREASE IN CASH & CASH EQUIVALENTS	(99,104)	37,214
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	329,769	343,484
Effect of exchange rate changes	310	(726)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	230,975	379,972

Cash and cash equivalents included in the cash flows comprise the following:-

	31.03.2019	31.03.2018
	RM'000	RM'000
Fixed income trust funds	-	31,970
Fixed deposits with licensed banks	144,391	217,911
Cash and bank balances	86,584	130,091
	230,975	379,972

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2018 and the Explanatory Notes for the quarter ended 31 March 2019)

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the reporting requirements of Malaysian Financial Reporting Standards (“MFRSs”), MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the Group’s annual audited financial statements for the financial year ended 30 June 2018. These explanatory notes provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2018.

2. Significant Accounting Policies

The Group prepared its annual financial statements for the financial year ended 30 June 2018 in accordance with the Financial Reporting Standards (“FRSs”).

The interim financial statements of the Group for the period ended 31 March 2019 is prepared in accordance with MFRS Framework, including MFRS 1 “First-time Adoption of Malaysian Financial Reporting Standards”. The Group adopts this standard using the full retrospective method.

The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 July 2017, being the transition date, and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these interim financial statements have been restated as a result of transition to MFRS Framework.

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements of the Group for the financial year ended 30 June 2018 except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted the standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) which are effective for the accounting periods beginning 1 January 2019. The adoption of the new MFRSs, amendments to MFRSs and IC Interpretations does not have any material impact on the financial position and results of the Group, except for the effects arising from the transition from FRSs to MFRSs, which are disclosed below.

2. Significant Accounting Policies (continued)

Transition from FRSs to MFRSs

The effect of first-time adoption of MFRS are primarily from the following :

MFRS 15 Revenue from Contracts with Customers

The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customers. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognized when the performance obligation is satisfied, which may be at a point in time or over time.

As a result of adoption of MFRS Framework, the following comparatives in the interim financial statements have been restated.

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

The effect of the transition from FRSs to MFRSs are as follows :

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2018**

	As previously stated under FRSs RM'000	Effect of adoption of MFRS 15 RM'000	3 Months Ended 31.03.2018 As restated (unaudited) RM'000
Revenue	85,897	(2,460)	83,437
Cost of sales	<u>(49,991)</u>	2,111	<u>(47,880)</u>
Gross profit	35,906		35,557
Investment revenue	4,301		4,301
Other income	3,124		3,124
Finance costs	(304)		(304)
Administrative expenses	(20,647)	722	(19,925)
Other expenses	<u>(651)</u>		<u>(651)</u>
Profit before taxation	21,729		22,102
Taxation	<u>(5,641)</u>		<u>(5,641)</u>
Profit for the period	16,088		16,461
Other comprehensive income	<u>4,502</u>		<u>4,502</u>
Total comprehensive income for the period	<u>20,590</u>		<u>20,963</u>
Profit for the period attributable to:			
Owners of the Company	<u>16,088</u>		<u>16,461</u>
Total comprehensive income attributable to:			
Owners of the Company	<u>20,590</u>		<u>20,963</u>
Earnings per share (sen)			
- Basic / Diluted	<u>4.2</u>		<u>4.3</u>

The effect of the transition from FRSs to MFRSs are as follows :

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018

	As previously stated under FRSs RM'000	Effect of adoption of MFRS 15 RM'000	9 Months Ended 31.03.2018 As restated (unaudited) RM'000
Revenue	192,841	(13,956)	178,885
Cost of sales	<u>(101,292)</u>	11,654	<u>(89,638)</u>
Gross profit	91,549		89,247
Investment revenue	12,998		12,998
Other income	7,309		7,309
Finance costs	(968)		(968)
Administrative expenses	(58,402)	2,693	(55,709)
Other expenses	<u>(1,945)</u>		<u>(1,945)</u>
Profit before taxation	50,541		50,932
Taxation	<u>(14,250)</u>		<u>(14,250)</u>
Profit for the period	36,291		36,682
Other comprehensive expense	<u>1,098</u>		<u>1,098</u>
Total comprehensive income for the period	<u>37,389</u>		<u>37,780</u>
Profit for the period attributable to:			
Owners of the Company	<u>36,291</u>		<u>36,682</u>
Total comprehensive income attributable to:			
Owners of the Company	<u>37,389</u>		<u>37,780</u>
Earnings per share (sen)			
- Basic / Diluted	<u>9.5</u>		<u>9.6</u>

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

The effect of the transition from FRSs to MFRSs are as follows :

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
AS AT 30 JUNE 2018			
	As previously stated under FRSs	Effect of adoption of MFRS 15	As at 30.06.2018 As restated (unaudited)
	RM'000	RM'000	RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	619,563		619,563
Inventories- Land held for future development	159,440		159,440
Inventories- Property development projects - non current portion	198,970		198,970
Investment properties	63,161		63,161
Deferred tax assets	16,350		16,350
	<u>1,057,484</u>		<u>1,057,484</u>
CURRENT ASSETS			
Inventories- Property development projects - current portion	164,259	7,397	171,656
Inventories- Completed units	28,978	619	29,597
Trade receivables	19,783		19,783
Other receivables, deposits and prepaid expenses	13,316	145	13,461
Contracts assets	2,375	729	3,104
Tax recoverable	9,844		9,844
Short term investments	99,272		99,272
Fixed deposits with licensed banks	249,267		249,267
Cash and bank balances	80,501		80,501
	<u>667,595</u>		<u>676,485</u>
TOTAL ASSETS	<u>1,725,079</u>		<u>1,733,969</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315		515,315
Reserves	1,044,005	(3,698)	1,040,307
TOTAL EQUITY	<u>1,559,320</u>		<u>1,555,622</u>
NON-CURRENT LIABILITIES			
Bank borrowings	23,284		23,284
Deferred tax liabilities	31,155		31,155
	<u>54,439</u>		<u>54,439</u>
CURRENT LIABILITIES			
Trade payables	39,146		39,146
Retention monies	23,350		23,350
Other payables, accrued expenses and provisions	39,446	1,939	41,385
Contract liabilities	7,329	10,649	17,978
Bank borrowings	1,054		1,054
Tax liabilities	995		995
	<u>111,320</u>		<u>123,908</u>
TOTAL LIABILITIES	<u>165,759</u>		<u>178,347</u>
TOTAL EQUITY & LIABILITIES	<u>1,725,079</u>		<u>1,733,969</u>
Net assets per share attributable to owners of the Company (RM)	4.09		4.08

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

The effect of the transition from FRSs to MFRSs are as follows :

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 1 JULY 2017

	As previously stated under FRSs	Effect of adoption of MFRS 15	As at 01.07.2017 As restated (unaudited)
	RM'000	RM'000	RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	563,931		563,931
Inventories- Land held for future development	193,998		193,998
Inventories- Property development projects - non current portion	160,041		160,041
Investment properties	63,015		63,015
Deferred tax assets	18,126		18,126
	<u>999,111</u>		<u>999,111</u>
CURRENT ASSETS			
Inventories- Property development projects - current portion	212,258	(290)	211,968
Inventories- Completed units	30,690		30,690
Trade receivables	40,378		40,378
Other receivables, deposits and prepaid expenses	12,214		12,214
Contracts assets	5,198	3,481	8,679
Tax recoverable	6,591		6,591
Short term investments	64,371		64,371
Fixed income trust funds	15,548		15,548
Fixed deposits with licensed banks	247,044		247,044
Cash and bank balances	80,892		80,892
	<u>715,184</u>		<u>718,375</u>
TOTAL ASSETS	<u>1,714,295</u>		<u>1,717,486</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315		515,315
Reserves	1,007,320	1,974	1,009,294
TOTAL EQUITY	<u>1,522,635</u>		<u>1,524,609</u>
NON-CURRENT LIABILITIES			
Bank borrowings	30,538		30,538
Deferred tax liabilities	32,199		32,199
	<u>62,737</u>		<u>62,737</u>
CURRENT LIABILITIES			
Trade payables	32,698		32,698
Retention monies	31,140		31,140
Other payables, accrued expenses and provisions	56,610	1,389	57,999
Contract liabilities	6,950	(172)	6,778
Bank borrowings	600		600
Tax liabilities	925		925
	<u>128,923</u>		<u>130,140</u>
TOTAL LIABILITIES	<u>191,660</u>		<u>192,877</u>
TOTAL EQUITY & LIABILITIES	<u>1,714,295</u>		<u>1,717,486</u>
Net assets per share attributable to owners of the Company (RM)	3.99		4.00

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2019

The effect of the transition from FRSs to MFRSs are as follows :

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2018**

	As previously stated under FRSs	Effect of adoption of MFRS 15	As at 31.03.2018 As restated (Unaudited)
	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	50,541	391	50,932
Adjustments for:-			
Depreciation and amortisation	13,340		13,340
Other non-cash items	(10,563)		(10,563)
Profit Before Working Capital Changes	53,318		53,709
Net change in current assets	26,788	(8,950)	17,838
Net change in current liabilities	(13,245)	8,559	(4,686)
Cash Generated From Operations	66,861		66,861
Interest income received	918		918
Income tax refunded	396		396
Income tax paid	(13,794)		(13,794)
Net Cash Generated From Operating Activities	54,381		54,381
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	6,519		6,519
Proceeds from disposal of property, plant and equipment	87		87
Purchase of property, plant & equipment	(2,953)		(2,953)
Dividend income received	4,117		4,117
Net Cash Generated From Investing Activities	7,770		7,770
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	(17,169)		(17,169)
Interest paid	(968)		(968)
Repayment of bank borrowings	(6,800)		(6,800)
Net Cash Used In Financing Activities	(24,937)		(24,937)
NET INCREASE IN CASH & CASH EQUIVALENTS	37,214		37,214
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	343,484		343,484
Effect of exchange rate changes	(726)		(726)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	379,972		379,972

3. Auditors' Report on Preceding Annual Financial Statements

The annual audited financial statements for the financial year ended 30 June 2018 were not subject to any qualification.

4. Comments about Seasonal or Cyclical Factors

The Group's business operations are not significantly affected by seasonal or cyclical factors.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and year-to-date other than disclosed in this report.

6. Significant Changes in Estimates

There were no changes in estimates that have any material effect on the current quarter and year-to-date results.

7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and year-to-date.

8. Dividend Paid

The following dividends were paid for the current and previous corresponding financial period:

	<u>31.03.2019</u>	<u>31.03.2018</u>
Final dividend for the financial year	30 June 2018	30 June 2017
Approved and declared on	31 October 2018	27 October 2017
Date paid	15 November 2018	10 November 2017
Number of ordinary shares on which dividends were paid ('000)	381,534	381,534
Amount per share (single tier)	4.5 sen	4.5 sen
Net dividend paid (RM'000)	17,169	17,169

9. Segmental Information

Segmental information is presented in respect of the Group's business segments which form the primary basis of segmental reporting.

Segment information for the nine (9) months ended 31 March 2019 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External	88,653	47,911	-	-	136,564
Inter-segment sales	-	-	5,246	(5,246)	-
Total revenue	88,653	47,911	5,246	(5,246)	136,564
Segment profit/(loss)	35,650	5,301	14,134	(15,504)	39,581
Investment revenue					12,355
Depreciation					(15,138)
Finance costs					(923)
Profit before taxation					35,875
Taxation					(12,866)
Profit for the period					23,009

Segment information for the nine (9) months ended 31 March 2018 was as follows:

	Property development RM'000	Hotel operations RM'000	Investment holding and others RM'000	Elimination RM'000	Consolidated RM'000
(Restated)					
Revenue					
External sales	122,618	56,267	-	-	178,885
Inter-segment sales	-	-	4,221	(4,221)	-
Total revenue	122,618	56,267	4,221	(4,221)	178,885
Segment profit/(loss)	30,925	11,687	13,037	(3,407)	52,242
Investment revenue					12,998
Depreciation					(13,340)
Finance costs					(968)
Profit before taxation					50,932
Taxation					(14,250)
Profit for the period					36,682

10. Valuation of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment brought forward from the previous financial year.

11. Material Subsequent Events

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

12. Changes in the Composition of the Group

The Company has on 13 March 2019 received a letter dated 7 March 2019 from the Business Registration Office of the Department of Planning and Investment of Ho Chi Minh City informing that The Nomad Offices (Vietnam) Company Limited ("TNOV"), an inactive indirect wholly-owned subsidiary of the Company incorporated in the Socialist Republic of Vietnam, has been dissolved.

In addition, PNT Materials Trading Sdn Bhd and Nomad International Sdn Bhd, indirect wholly-owned subsidiaries of the Company, which were placed under Members' Voluntary Winding Up on 19 April 2018 and 3 May 2018 respectively and have held their respective final meetings on 28 January 2019, were dissolved on 30 April 2019, after the expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia.

Save for the above, there was no material changes to the composition of the Group during the current quarter under review.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in the contingent liabilities and contingent assets of the Group since the last annual reporting date.

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD**

1. Performance Review

The Group registered revenue of RM36.9 million and a net profit of RM6.4 million for the current quarter ended 31 March 2019 as compared to revenue of RM83.4 million and a net profit of RM16.5 million (restated) for the corresponding quarter of the previous year.

Property development division contributed revenue of RM23.6 million for current quarter compared to RM66.9 million of previous year's corresponding quarter. The lower revenue for the current quarter ended 31 March 2019 was mainly due to one-off sale of a parcel of land in Penang for cash consideration of RM46.8 million with a net profit of RM11.5 million in previous year. If the disposal of land is excluded, the revenue of property development for last year was RM20.1 million. The 3Q 2019 revenue rose by 17% or RM3.5 million above last year's revenue. The higher revenue was attributable to sales from new launches: Phase 19& 20 Double Storey Cluster at Desa Tebrau in Johor and Phase 4E 2&3 Storey Terrace Houses at Taman Putra Prima in Selangor.

The Hotel operations registered a revenue of RM13.3 million for the current quarter, a drop of RM3.2 million compared to a revenue of RM16.5 million for the corresponding quarter of the previous year. Hotel revenue were affected by rooms closed for renovation and rebranding challenges.

- Novotel Kuala Lumpur's business dropped by 34% due to closure of 75 rooms for renovation in the current quarter. Renovation is carried out by closing floors in phases and is expected to complete by November 2020.
- The Four Points Sheraton Penang was officially rebranded as Mercure Penang Beach Hotel, on 1 October 2018. Mercure Penang Beach Hotel is part of the Accor Hotels Group.
- Glow Penang was rebranded as Travelodge Georgetown on 1 January 2019.

During the quarter, the Group has completed the acquisition of a 266-room hotel known as Heritage Hotel Ipoh ideally located in the heart of Ipoh City adjacent to Ipoh Turf Club. Its post-acquisition revenue of RM0.8 million and a loss of RM0.6 million has been included in the current quarter performance.

For the 9-month financial period ended 31 March 2019, the Group recorded revenue of RM136.6 million and a net profit of RM23 million compared to revenue of RM178.9 million and net profit of RM36.7 million (restated) for the previous financial period ended 31 March 2018. Excluding the disposal of land as mentioned above, last year's revenue was RM132.1 million and net profit was RM25.2 million. The Group's current year-to-date revenue was RM4.5 million, higher than last year, while net profit was RM2.2 million lower than last year due to losses from hotels' operations.

2. Material Changes in Profit Before Tax of Current Quarter Compared to Preceding Quarter

The Group posted a profit before tax of RM10.4 million for the current quarter ended 31 March 2019 as compared to a profit before tax of RM13.7 million for the immediate preceding quarter. The reduction in profit before tax was due to the delivery of vacant possession of The Marin Condominium in Penang in the preceding quarter.

3. Current Year Prospects

Property development remains the key driver of our business operations. In view of the current weak sentiment in the property development market, 2019 will be a difficult and challenging year for the property development segment. For financial year ending 2019, the Group will continue to adopt a more cautious approach in new property launches and will continue to intensify our marketing and sales initiatives to promote the Group's existing properties.

The hotel business remains challenging in an increasingly competitive market. The ongoing upgrading of some of the hotel room should result in improvement of performance as well as better guest experiences.

In view of the above, the Board of Directors expects a challenging performance for the financial year ending 30 June 2019.

4. Profit Forecast

Not applicable as no profit forecast was issued.

5. Notes to the Statement of Profit and Loss and Other Comprehensive Income

Notes to the Statement of Profit and Loss and other Comprehensive Income comprises of the following :

	Individual Quarter	Cumulative Quarters
	3 months ended	9 months ended
	31.03.2019	31.03.2019
	RM'000	RM'000
Depreciation of property, plant and equipment	(5,482)	(14,686)
Depreciation of investment properties	(150)	(452)
Property, plant and equipment written off	(379)	(379)
Interest expense	(302)	(923)
Gain on disposal of investment property	520	664
Realised loss on foreign exchange	(2)	(27)
Unrealised gain on foreign exchange	754	61
Dividend income from short term investments	1,585	4,481
Fair value changes in short term investments	274	(4,372)
Interest income from short term deposits	1,100	4,387

Other than the above items, there were no impairment of assets, provision for and write off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments, gain or loss on derivatives and exceptional items for current quarter and financial period ended 31 March 2019.

6. Taxation

Taxation for the current quarter and the financial year comprised the following:

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	4,227	4,482	13,122	13,091
- Prior year	(256)	1,159	(256)	1,159
	<u>3,971</u>	<u>5,641</u>	<u>12,866</u>	<u>14,250</u>

The Group's effective tax rate for the financial period was higher than the statutory rate as certain expenses were disallowed as deductions for tax purposes. Losses incurred by certain subsidiary companies were also not available for set off against taxable profits in other companies within the Group.

7. Status of Corporate Proposals

Corporate proposals announced but not completed at the date of reporting:

The Company's indirect subsidiary, Bizcentre Capital Pte. Ltd. had on 23 April 2019 entered into Definitive Agreements in respect of the Proposed Investment in a 14-storey hotel in Seoul, South Korea ("Proposed Investment").

Further details of the Proposed Investment and the Definitive Agreements are stated in Bursa Malaysia announcement dated 23 April 2019.

8. Group Borrowings and Debt Securities

The Group's borrowings and debt securities are as follows:-

	31.03.2019	31.03.2018
	RM'000	RM'000
Current		
Term Loan (secured)	2,575	423
Non-Current		
Term Loan (secured)	21,131	23,915
Total	23,706	24,338

9. Changes in Material Litigation

There were no material litigation against the Group as at 17 May 2019, being 7 days prior to the date of this report.

10. Dividend Proposed or Declared

The Board of Directors does not recommend any interim dividend for the current quarter and year-to-date.

11. Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	(Restated)		(Restated)	
Profit attributable to owners of the Company (RM'000)	6,431	16,461	23,009	36,682
Weighted average number of ordinary shares in issue ('000)	381,534	381,534	381,534	381,534
Basic earnings per ordinary share (sen)	1.7	4.3	6.0	9.6

Diluted earnings per ordinary share is not applicable as the Company does not have any convertible instruments.

12. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2018 was unqualified.

13. Authorisation for Issue

The interim financial report was authorised for issuance by the Board of Directors in accordance with a resolution of the Directors dated 24 May 2019.

By Order of the Board
PLENITUDE BERHAD

REBECCA LEE EWE AI (MAICSA 0766742)
WONG YUET CHYN (MAICSA 7047163)
Company Secretaries
Kuala Lumpur

24 May 2019