

**INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2019**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		12 Months Ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue	90,006	49,065	226,570	234,919
Cost of sales	(43,478)	(16,632)	(106,049)	(115,185)
Gross profit	46,528	32,433	120,521	119,734
Investment revenue	2,245	3,234	14,600	16,232
Other income	3,029	2,496	12,159	9,805
Finance costs	(283)	(307)	(1,206)	(1,275)
Administrative expenses	(26,183)	(18,028)	(83,488)	(73,737)
Other expenses	(575)	(766)	(1,950)	(2,711)
Profit before taxation	24,761	19,062	60,636	68,048
Taxation	(6,650)	(7,411)	(19,516)	(21,661)
Profit for the year	18,111	11,651	41,120	46,387
Other comprehensive income/ (expense)	1,265	697	(2,858)	1,795
Total comprehensive income for the year	19,376	12,348	38,262	48,182
Profit for the year attributable to:				
Owners of the Company	19,239	11,651	42,248	46,387
Non-controlling interests	(1,128)	-	(1,128)	-
	18,111	11,651	41,120	46,387
Total comprehensive income attributable to:				
Owners of the Company	20,267	12,348	39,153	48,182
Non-controlling interests	(891)	-	(891)	-
	19,376	12,348	38,262	48,182
Earnings per share (sen)				
- Basic / Diluted	5.0	3.1	11.1	12.2

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2019 (Unaudited) RM'000	As at 30.06.2018 (Restated) RM'000	As at 01.07.2017 (Restated) RM'000
NON-CURRENT ASSETS			
Goodwill	1,624	-	-
Property, plant and equipment	890,422	619,563	563,931
Inventories- Property development projects	331,455	358,410	354,039
Investment properties	62,315	63,161	63,015
Deferred tax assets	19,811	16,350	18,126
	<u>1,305,627</u>	<u>1,057,484</u>	<u>999,111</u>
CURRENT ASSETS			
Inventories- Property development projects - current portion	92,377	161,693	196,234
Inventories- Completed units	175,927	29,596	30,690
Trade receivables	28,768	19,783	40,378
Other receivables, deposits and prepaid expenses	15,605	13,461	12,214
Contracts assets	6,167	3,104	8,679
Tax recoverable	10,145	9,844	6,591
Short term investments	100,343	99,272	64,371
Fixed income trust funds	-	-	15,548
Fixed deposits with licensed banks	79,334	249,267	247,044
Cash and bank balances	88,525	80,501	80,892
	<u>597,191</u>	<u>666,521</u>	<u>702,641</u>
TOTAL ASSETS	<u>1,902,818</u>	<u>1,724,005</u>	<u>1,701,752</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315	515,315	515,315
Reserves	1,062,291	1,040,307	1,009,294
Total Equity Attributable to Owners of the Company	<u>1,577,606</u>	<u>1,555,622</u>	<u>1,524,609</u>
Non-controlling interests	40,317	-	-
TOTAL EQUITY	<u>1,617,923</u>	<u>1,555,622</u>	<u>1,524,609</u>
NON-CURRENT LIABILITIES			
Other payable	826	-	-
Bank borrowings	135,008	23,284	30,538
Deferred tax liabilities	30,631	31,155	32,199
	<u>166,465</u>	<u>54,439</u>	<u>62,737</u>
CURRENT LIABILITIES			
Trade payables	41,241	39,146	32,698
Retention monies	17,298	23,350	31,140
Other payables, accrued expenses and provisions	38,754	31,421	42,265
Contract liabilities	15,618	17,978	6,778
Bank borrowings	4,201	1,054	600
Tax liabilities	1,318	995	925
	<u>118,430</u>	<u>113,944</u>	<u>114,406</u>
TOTAL LIABILITIES	<u>284,895</u>	<u>168,383</u>	<u>177,143</u>
TOTAL EQUITY & LIABILITIES	<u>1,902,818</u>	<u>1,724,005</u>	<u>1,701,752</u>
Net assets per share attributable to owners of the Company (RM)	4.13	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 30 June 2019)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non-distributable			Distributable →		Non-controlling interest	Total Equity	
	Share Capital	Available For-Sale Reserve	Fair value Reserve of Financial Assets at FVOCI	Foreign Currency Translation Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
12 Months Ended 30 June 2019								
At 1 July 2018 (as previously reported)	515,315	15,790	-	53	1,028,162	1,559,320	-	1,559,320
Effect of transition to MFRS 9		(15,790)	15,790	-	-	-	-	-
Effect of transition to MFRS 15	-	-	-	-	(3,698)	(3,698)	-	(3,698)
Restated balance at 1 July 2018	515,315	-	15,790	53	1,024,464	1,555,622	-	1,555,622
Net profit for the year	-	-	-	-	42,248	42,248	(1,128)	41,120
Fair value changes on financial assets at "fair value through other comprehensive income" (FVOCI)	-	-	(3,188)	-	-	(3,188)	-	(3,188)
Foreign currency translation difference for foreign operation	-	-	-	93	-	93	237	330
Total comprehensive (expense)/ income for the financial year	-	-	(3,188)	93	42,248	39,153	(891)	38,262
Dividend for the financial year ended 30 June 2018 - final dividend	-	-	-	-	(17,169)	(17,169)	-	(17,169)
Non-controlling interests arising from acquisition of subsidiaries					-	-	41,208	41,208
At 30 June 2019	515,315	-	12,602	146	1,049,543	1,577,606	40,317	1,617,923

	← Non-distributable			Distributable →		Non-controlling interest	Total Equity	
	Share Capital	Available For-Sale Reserve	Fair value Reserve of Financial Assets at FVOCI	Foreign Currency Translation Reserve	Retained Earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
12 Months Ended 30 June 2018								
At 1 July 2017 (as previously reported)	515,315	13,209	-	839	993,272	1,522,635	-	1,522,635
Effect of transition to MFRS 15		-	-	-	1,974	1,974	-	1,974
Restated balance at 1 July 2017	515,315	13,209	-	839	995,246	1,524,609	-	1,524,609
Net profit for the year	-	-	-	-	46,387	46,387	-	46,387
Fair value changes on available-for-sale financial assets	-	2,581	-	-	-	2,581	-	2,581
Foreign currency translation difference for foreign operation	-	-	-	(786)	-	(786)	-	(786)
Total comprehensive (expense)/ income for the financial year	-	2,581	-	(786)	46,387	48,182	-	48,182
Dividend for the financial year ended 30 June 2017 - final dividend	-	-	-	-	(17,169)	(17,169)	-	(17,169)
At 30 June 2018	515,315	15,790	-	53	1,024,464	1,555,622	-	1,555,622

(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 30 June 2019)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	12 Months Ended	
	30.06.2019	30.06.2018 (Restated)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	60,636	68,048
Adjustments for:-		
Depreciation and amortisation	20,626	17,908
Other non-cash items	(9,433)	(9,762)
Profit Before Working Capital Changes	71,829	76,194
Net change in current assets	(50,533)	2,383
Net change in current liabilities	(12,772)	(16,719)
Cash Generated From Operations	8,524	61,858
Interest income received	1,241	1,238
Income tax refunded	197	2,606
Income tax paid	(23,676)	(26,719)
Net Cash (Used in)/Generated From Operating Activities	(13,714)	38,983
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(191,788)	-
Interest income received	5,176	8,626
Proceeds from disposal of property, plant and equipment	2	91
Proceeds from disposal of investment property	960	-
Purchase of property, plant & equipment	(85,691)	(6,431)
Purchase of short term investment	(4,259)	(32,321)
Dividend income received	4,952	4,397
Net Cash Used In Investing Activities	(270,648)	(25,638)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(17,169)	(17,169)
Interest paid	(1,206)	(1,275)
Purchase of additional equity interest from non-controlling interest	27,081	-
Proceeds from bank borrowings	116,139	-
Repayment of bank borrowings	(1,268)	(6,800)
Net Cash Generated From/(Used In) Financing Activities	123,577	(25,244)
NET DECREASE IN CASH & CASH EQUIVALENTS	(160,785)	(11,899)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE YEAR	329,768	343,484
Effect of exchange rate changes	(1,124)	(1,817)
CASH & CASH EQUIVALENTS AT END OF THE YEAR	167,859	329,768

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

	30.06.2019	30.06.2018
	RM'000	RM'000
Fixed deposits with licensed banks	79,334	249,267
Cash and bank balances	88,525	80,501
	167,859	329,768

(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 30 June 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 30 June 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.

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2018**

	As previously stated under FRSs	Effect of adoption of MFRS 15	3 Months Ended 30.06.2018 As restated (unaudited)
	RM'000	RM'000	RM'000
Revenue	55,868	(6,803)	49,065
Cost of sales	<u>(18,310)</u>	1,678	<u>(16,632)</u>
Gross profit	37,558		32,433
Investment revenue	3,234		3,234
Other income	2,496		2,496
Finance costs	(307)		(307)
Administrative expenses	(19,036)	1,008	(18,028)
Other expenses	<u>(766)</u>		<u>(766)</u>
Profit before taxation	23,179		19,062
Taxation	<u>(7,411)</u>		<u>(7,411)</u>
Profit for the period	15,768		11,651
Other comprehensive income	<u>697</u>		<u>697</u>
Total comprehensive income for the period	<u>16,465</u>		<u>12,348</u>
Profit for the period attributable to:			
Owners of the Company	<u>15,768</u>		<u>11,651</u>
Total comprehensive income attributable to:			
Owners of the Company	<u>16,465</u>		<u>12,348</u>
Earnings per share (sen)			
- Basic / Diluted	<u>4.1</u>		<u>3.1</u>

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018**

	As previously stated under FRSs RM'000	Effect of adoption of MFRS 15 RM'000	12 Months Ended 30.06.2018 As restated (unaudited) RM'000
Revenue	248,709	(13,790)	234,919
Cost of sales	<u>(119,602)</u>	4,417	<u>(115,185)</u>
Gross profit	129,107		119,734
Investment revenue	16,232		16,232
Other income	9,805		9,805
Finance costs	(1,275)		(1,275)
Administrative expenses	(77,438)	3,701	(73,737)
Other expenses	<u>(2,711)</u>		<u>(2,711)</u>
Profit before taxation	73,720		68,048
Taxation	<u>(21,661)</u>		<u>(21,661)</u>
Profit for the year	52,059		46,387
Other comprehensive expense	<u>1,795</u>		<u>1,795</u>
Total comprehensive income for the year	<u><u>53,854</u></u>		<u><u>48,182</u></u>
Profit for the year attributable to:			
Owners of the Company	<u>52,059</u>		<u>46,387</u>
Total comprehensive income attributable to:			
Owners of the Company	<u>53,854</u>		<u>48,182</u>
Earnings per share (sen)			
- Basic / Diluted	<u>13.6</u>		<u>12.2</u>

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- Property development projects	358,410		358,410
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	(2,566)	161,693
Inventories- Completed units	28,978	618	29,596
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>666,521</u>
TOTAL ASSETS	<u>1,725,079</u>		<u>1,724,005</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	(8,025)	31,421
Contract liabilities	7,329	10,649	17,978
Bank borrowings	1,054		1,054
Tax liabilities	995		995
	<u>111,320</u>		<u>113,944</u>
TOTAL LIABILITIES	<u>165,759</u>		<u>168,383</u>
TOTAL EQUITY & LIABILITIES	<u>1,725,079</u>		<u>1,724,005</u>
Net assets per share attributable to owners of the Company (RM)	4.09		4.08

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- Property development projects	354,039		354,039
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	(16,024)	196,234
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>702,641</u>
TOTAL ASSETS	<u>1,714,295</u>		<u>1,701,752</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	(14,345)	42,265
Contract liabilities	6,950	(172)	6,778
Bank borrowings	600		600
Tax liabilities	925		925
	<u>128,923</u>		<u>114,406</u>
TOTAL LIABILITIES	<u>191,660</u>		<u>177,143</u>
TOTAL EQUITY & LIABILITIES	<u>1,714,295</u>		<u>1,701,752</u>
Net assets per share attributable to owners of the Company (RM)	3.99		4.00

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 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
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	73,720	(5,672)	68,048
Adjustments for:-			
Depreciation and amortisation	17,908		17,908
Other non-cash items	(9,762)		(9,762)
Profit Before Working Capital Changes	81,866		76,194
Net change in current assets	(1,881)	4,264	2,383
Net change in current liabilities	(18,127)	1,408	(16,719)
Cash Generated From Operations	61,858		61,858
Interest income received	1,238		1,238
Income tax refunded	2,606		2,606
Income tax paid	(26,719)		(26,719)
Net Cash Generated From Operating Activities	38,983		38,983
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	8,626		8,626
Proceeds from disposal of property, plant and equipment	91		91
Purchase of property, plant & equipment	(6,431)		(6,431)
Purchase of short term investments	(32,321)		(32,321)
Dividend income received	4,397		4,397
Net Cash Generated From Investing Activities	(25,638)		(25,638)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	(17,169)		(17,169)
Interest paid	(1,275)		(1,275)
Repayment of bank borrowings	(6,800)		(6,800)
Net Cash Used In Financing Activities	(25,244)		(25,244)
NET INCREASE IN CASH & CASH EQUIVALENTS	(11,899)		(11,899)
CASH & CASH EQUIVALENTS AT BEGINNING OF THE YEAR	343,484		343,484
Effect of exchange rate changes	(1,817)		(1,817)
CASH & CASH EQUIVALENTS AT END OF THE YEAR	329,768		329,768

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 financial year 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 financial year 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 financial year.

8. Dividend Paid

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

	<u>30.06.2019</u>	<u>30.06.2018</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 financial year ended 30 June 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	164,078	62,492	-	-	226,570
Inter-segment sales	-	-	8,560	(8,560)	-
Dividend income	-	-	30,000	(30,000)	-
Total revenue	163,078	62,492	38,560	(38,560)	225,570
Segment profit/(loss)	69,892	518	48,160	(50,702)	67,868
Investment revenue					14,600
Depreciation					(20,626)
Finance costs					(1,206)
Profit before taxation					60,636
Taxation					(19,516)
Profit for the year					41,120

Segment information for the financial year ended 30 June 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	162,529	72,390	-	-	234,919
Inter-segment sales	-	-	5,628	(5,628)	-
Dividend income	-	-	45,000	(45,000)	-
Total revenue	162,529	72,390	50,528	(50,528)	234,919
Segment profit/(loss)	48,881	16,588	61,829	(56,299)	70,999
Investment revenue					16,232
Depreciation					(17,908)
Finance costs					(1,275)
Profit before taxation					68,048
Taxation					(21,661)
Profit for the year					46,387

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, an inactive indirect wholly-owned subsidiary of the Company incorporated in the Socialist Republic of Vietnam, has been dissolved.

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.

In addition, 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"). The Proposed Investment was completed on 21 June 2019. Accordingly, Korea Investment Private Placement Business Hotel Real Estate Investment Trust and Pinetree Hotel LLC become effective 60% indirect subsidiaries of the Company.

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 RM90.0 million and a net profit of RM18.1 million for the current quarter ended 30 June 2019 as compared to revenue of RM49.1 million and a net profit of RM11.7 million (restated) for the corresponding quarter of the previous year.

Property development division contributed revenue of RM75.4 million for current quarter compared to RM32.9 million of previous year's corresponding quarter. The higher revenue for the current quarter ended 30 June 2019 was mainly attributable to Phase 19 & 20 Double Storey Terrace House at Desa Tebrau in Johor which its vacant possession was delivered in June 2019 and higher 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 RM14.6 million for the current quarter, a drop of RM1.5 million compared to a revenue of RM16.1 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 33% due to closure of 120 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 Proposed Investment in a 14-storey hotel in Seoul, South Korea. Its post-acquisition revenue of RM0.4 million and net profit of RM0.1 million have been included in the current quarter performance.

For the 12-month financial year ended 30 June 2019, the Group recorded revenue of RM226.6 million and a net profit of RM41.1 million compared to revenue of RM234.9 million and net profit of RM46.4 million (restated) for the previous financial year ended 30 June 2018. The revenue for the previous financial year was higher mainly due to previous year's 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. If the disposal of land is excluded, last year's revenue was RM188.1 million and net profit was RM34.9 million. The Group's current year-to-date revenue was RM38.5 million, higher than last year, while net profit was RM6.2 million higher than last year's net profit.

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

	Current quarter ended 30.06.2019	Immediate preceding quarter ended 31.03.2019
	RM'000	RM'000
Revenue	90,006	36,949
Gross profit	46,528	19,934
Profit before taxation	<u>24,761</u>	<u>10,402</u>

The Group posted a profit before tax of RM24.8 million for the current quarter ended 30 June 2019 as compared to a profit before tax of RM10.4 million for the immediate preceding quarter. The increase in profit before tax was mainly due to the delivery of vacant possession of Phase 19 & 20 Double Storey Terrace House at Desa Tebrau in Johor in the current quarter.

3. Next Year Prospects

The Malaysian economy is likely to be weighed down by slower global growth and trade tensions, and the Group foresees that the remainder of year 2019 will be a challenging year.

For the financial year ending June 2020, the Group will continue to adopt a more cautious approach in new property launches and will continue to intensify its 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 rooms should result in improvement of performance as well as better guest experiences.

During the quarter, the Group had completed the acquisition of a 224 room 14-storey midscale hotel in Seoul, South Korea, and the Group expects this property to contribute positively to the earnings of the Group for the financial year ending 30 June 2020.

In view of the above, the Board of Directors expects a challenging performance for the financial year ending 30 June 2020.

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 30.06.2019	12 months ended 30.06.2019
	RM'000	RM'000
Depreciation of property, plant and equipment	(5,339)	(20,025)
Depreciation of investment properties	(149)	(601)
Inventories – Property development projects written off	(1,358)	(1,358)
Property, plant and equipment written off	(28)	(407)
Interest expense	(283)	(1,206)
Gain on disposal of investment property	-	664
Realised loss on foreign exchange	(484)	(511)
Unrealised gain on foreign exchange	(1,015)	(954)
Dividend income from short term investments	471	4,952
Fair value changes in short term investments	1,184	(3,188)
Interest income from short term deposits	1,076	6,417

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 year ended 30 June 2019.

6. Taxation

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

	Individual Quarter		Cumulative Quarters	
	3 months ended 30.06.2019	30.06.2018	12 months ended 30.06.2019	30.06.2018
	RM'000	RM'000	RM'000	RM'000
Taxation				
- Current year	9,498	5,993	22,620	19,084
- Prior year	78	686	(178)	1,845
	9,576	6,679	22,442	20,929
Deferred tax	(2,926)	732	(2,926)	732
	6,650	7,411	19,516	21,661

The Group's effective tax rate for the financial year was higher than the statutory rate as certain expenses were disallowed as deductions for tax purposes and deferred tax assets not recognised.

7. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the reporting date.

8. Group Borrowings and Debt Securities

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

	30.06.2019	30.06.2018
	RM'000	RM'000
Current		
Term Loan (secured)	4,201	1,054
Non-Current		
Term Loan (secured)	135,008	23,284
Total	<u>139,209</u>	<u>24,338</u>

9. Changes in Material Litigation

There were no material litigation against the Group as at 13 August 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 financial year.

11. Earnings Per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended		12 months ended	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
	(Restated)		(Restated)	
Profit attributable to owners of the Company (RM'000)	19,239	9,705	42,248	46,387
Weighted average number of ordinary shares in issue ('000)	381,534	381,534	381,534	381,534
Basic earnings per ordinary share (sen)	5.0	2.5	11.1	12.2

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 20 August 2019.

**By Order of the Board
PLENITUDE BERHAD**

REBECCA LEE EWE AI (MAICSA 0766742)

WONG YUET CHYN (MAICSA 7047163)

Company Secretaries

Kuala Lumpur

20 August 2019