

**INTERIM FINANCIAL REPORT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	3 Months Ended		6 Months Ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Revenue	56,923	47,253	99,615	95,448
Cost of sales	(26,746)	(25,475)	(45,556)	(41,758)
Gross profit	30,177	21,778	54,059	53,690
Investment revenue	3,042	3,240	8,213	8,697
Other income	1,606	1,978	4,580	4,185
Finance costs	(310)	(239)	(621)	(664)
Administrative expenses	(20,364)	(17,756)	(39,781)	(35,784)
Other expenses	(429)	(666)	(977)	(1,294)
Profit before taxation	13,722	8,335	25,473	28,830
Taxation	(5,148)	(3,081)	(8,895)	(8,609)
Profit for the period	8,574	5,254	16,578	20,221
Other comprehensive (expense)/ income	(8,851)	329	(4,274)	(3,404)
Total comprehensive (expense)/ income for the period	(277)	5,583	12,304	16,817
Profit for the period attributable to:				
Owners of the Company	8,574	5,254	16,578	20,221
Total comprehensive (expense)/ income attributable to:				
Owners of the Company	(277)	5,583	12,304	16,817
Earnings per share (sen)				
- Basic / Diluted	2.2	1.4	4.3	5.3

(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 December 2018)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2018 (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	685,687	619,563	563,931
Inventories- Land held for future development	159,452	159,440	193,998
Inventories- Property development projects - non current portion	188,100	198,970	160,041
Investment properties	62,788	63,161	63,015
Deferred tax assets	16,350	16,350	18,126
	<u>1,112,377</u>	<u>1,057,484</u>	<u>999,111</u>
CURRENT ASSETS			
Inventories- Property development projects - current portion	89,784	169,315	211,968
Inventories- Completed units	137,649	29,597	30,690
Trade receivables	39,097	19,783	40,378
Other receivables, deposits and prepaid expenses	12,195	13,461	12,214
Contracts assets	1,305	3,104	8,679
Tax recoverable	10,508	9,844	6,591
Short term investments	94,819	99,272	64,371
Fixed income trust funds	-	-	15,548
Fixed deposits with licensed banks	146,022	249,267	247,044
Cash and bank balances	88,184	80,501	80,892
	<u>619,563</u>	<u>674,144</u>	<u>718,375</u>
TOTAL ASSETS	<u>1,731,940</u>	<u>1,731,628</u>	<u>1,717,486</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315	515,315	515,315
Reserves	1,032,928	1,037,793	1,009,294
TOTAL EQUITY	<u>1,548,243</u>	<u>1,553,108</u>	<u>1,524,609</u>
NON-CURRENT LIABILITIES			
Bank borrowings	21,997	23,284	30,538
Deferred tax liabilities	31,156	31,155	32,199
	<u>53,153</u>	<u>54,439</u>	<u>62,737</u>
CURRENT LIABILITIES			
Trade payables	21,557	39,146	32,698
Retention monies	21,343	23,350	31,140
Other payables, accrued expenses and provisions	47,481	41,558	57,999
Contract liabilities	37,247	17,978	6,778
Bank borrowings	2,342	1,054	600
Tax liabilities	574	995	925
	<u>130,544</u>	<u>124,081</u>	<u>130,140</u>
TOTAL LIABILITIES	<u>183,697</u>	<u>178,520</u>	<u>192,877</u>
TOTAL EQUITY & LIABILITIES	<u>1,731,940</u>	<u>1,731,628</u>	<u>1,717,486</u>
Net assets per share attributable to owners of the Company (RM)	4.06	4.07	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 December 2018)

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
6 Months Ended 31 December 2018					
At 1 July 2018 (as previously reported)	515,315	15,790	53	1,028,162	1,559,320
Effect of transition to MFRSs	-	-	-	(6,212)	(6,212)
Restated balance at 1 July 2018	515,315	15,790	53	1,021,950	1,553,108
Net profit for the period	-	-	-	16,578	16,578
Fair value changes on available-for-sale financial assets	-	(4,646)	-	-	(4,646)
Foreign currency translation difference for foreign operation	-	-	372	-	372
Total comprehensive (expense)/ income for the financial period	-	(4,646)	372	16,578	12,304
Dividend for the financial year ended 30 June 2018 - final dividend	-	-	-	(17,169)	(17,169)
At 31 December 2018	515,315	11,144	425	1,021,359	1,548,243

	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
6 Months Ended 31 December 2017					
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	-	-	-	20,221	20,221
Fair value changes on available-for-sale financial assets	-	(2,915)	-	-	(2,915)
Foreign currency translation difference for foreign operation	-	-	(489)	-	(489)
Total comprehensive (expense)/ income for the financial period	-	(2,915)	(489)	20,221	16,817
Dividend for the financial year ended 30 June 2017 - final dividend	-	-	-	(17,169)	(17,169)
At 31 December 2017	515,315	10,294	350	998,298	1,524,257

(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 December 2018)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	6 Months Ended	
	31.12.2018	31.12.2017
	RM'000	(Restated)
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	25,473	28,830
Adjustments for:-		
Depreciation and amortisation	9,506	8,893
Other non-cash items	(5,621)	(7,074)
Profit Before Working Capital Changes	29,358	30,649
Net change in current assets	(33,912)	(44,389)
Net change in current liabilities	5,596	109,496
Cash Generated From Operations	1,042	95,756
Interest income received	608	596
Income tax refunded	57	392
Income tax paid	(10,037)	(9,206)
Net Cash (Used in)/Generated From Operating Activities	(8,330)	87,538
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	3,287	4,436
Proceeds from disposal of property, plant and equipment	1	85
Proceeds from disposal of investment property	214	-
Purchase of property, plant & equipment	(75,328)	(1,894)
Purchase of short term investment	(892)	-
Proceeds from disposal of short term investments	700	-
Dividend income received	2,896	2,706
Net Cash (Used In)/Generated From Investing Activities	(69,122)	5,333
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(17,169)	(17,169)
Interest paid	(621)	(664)
Repayment of bank borrowings	-	(6,800)
Net Cash Used In Financing Activities	(17,790)	(24,633)
NET (DECREASE)/ INCREASE IN CASH & CASH EQUIVALENTS	(95,242)	68,238
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	329,769	343,484
Effect of exchange rate changes	(321)	(489)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	234,206	411,233

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

	31.12.2018	31.12.2017
	RM'000	RM'000
Fixed income trust funds	-	31,713
Fixed deposits with licensed banks	146,022	286,746
Cash and bank balances	88,184	92,774
	234,206	411,233

(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 December 2018)

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 December 2018 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 SECOND QUARTER ENDED 31 DECEMBER 2018

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	As previously stated under FRSs RM'000	Effect of adoption of MFRS 15 RM'000	3 Months Ended 31.12.2017 As restated (unaudited) RM'000
Revenue	40,954	6,299	47,253
Cost of sales	<u>(18,941)</u>	(6,534)	<u>(25,475)</u>
Gross profit	22,013		21,778
Investment revenue	3,240		3,240
Other income	1,978		1,978
Finance costs	(239)		(239)
Administrative expenses	(18,903)	1,147	(17,756)
Other expenses	<u>(666)</u>		<u>(666)</u>
Profit before taxation	7,423		8,335
Taxation	<u>(3,081)</u>		<u>(3,081)</u>
Profit for the period	4,342		5,254
Other comprehensive income	<u>329</u>		<u>329</u>
Total comprehensive income for the period	<u>4,671</u>		<u>5,583</u>
Profit for the period attributable to:			
Owners of the Company	<u>4,342</u>		<u>5,254</u>
Total comprehensive income attributable to:			
Owners of the Company	<u>4,671</u>		<u>5,583</u>
Earnings per share (sen)			
- Basic / Diluted	<u>1.1</u>		<u>1.4</u>

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	As previously stated under FRSs RM'000	Effect of adoption of MFRS 15 RM'000	6 Months Ended 31.12.2017 As restated (unaudited) RM'000
Revenue	106,944	(11,496)	95,448
Cost of sales	(51,301)	9,543	(41,758)
Gross profit	55,643		53,690
Investment revenue	8,697		8,697
Other income	4,185		4,185
Finance costs	(664)		(664)
Administrative expenses	(37,755)	1,971	(35,784)
Other expenses	(1,294)		(1,294)
Profit before taxation	28,812		28,830
Taxation	(8,609)		(8,609)
Profit for the period	20,203		20,221
Other comprehensive expense	(3,404)		(3,404)
Total comprehensive income for the period	16,799		16,817
Profit for the period attributable to:			
Owners of the Company	20,203		20,221
Total comprehensive income attributable to:			
Owners of the Company	16,799		16,817
Earnings per share (sen)			
- Basic / Diluted	5.3		5.3

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018

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	5,056	169,315
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>674,144</u>
TOTAL ASSETS	<u>1,725,079</u>		<u>1,731,628</u>
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital	515,315		515,315
Reserves	1,044,005	(6,212)	1,037,793
TOTAL EQUITY	<u>1,559,320</u>		<u>1,553,108</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	2,112	41,558
Contract liabilities	7,329	10,649	17,978
Bank borrowings	1,054		1,054
Tax liabilities	995		995
	<u>111,320</u>		<u>124,081</u>
TOTAL LIABILITIES	<u>165,759</u>		<u>178,520</u>
TOTAL EQUITY & LIABILITIES	<u>1,725,079</u>		<u>1,731,628</u>
Net assets per share attributable to owners of the Company (RM)	4.09		4.07

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2018

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 SECOND QUARTER ENDED 31 DECEMBER 2018

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	As previously stated under FRSs	Effect of adoption of MFRS 15	As at 31.12.2017 As restated (Unaudited)
	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation	28,812	18	28,830
Adjustments for:-			
Depreciation and amortisation	8,893		8,893
Other non-cash items	(7,074)		(7,074)
Profit Before Working Capital Changes	30,631		30,649
Net change in current assets	(35,564)	(8,825)	(44,389)
Net change in current liabilities	100,689	8,807	109,496
Cash Generated From Operations	95,756		95,756
Interest income received	596		596
Income tax refunded	392		392
Income tax paid	(9,206)		(9,206)
Net Cash Generated From Operating Activities	87,538		87,538
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	4,436		4,436
Proceeds from disposal of property, plant and equipment	85		85
Purchase of property, plant & equipment	(1,894)		(1,894)
Dividend income received	2,706		2,706
Net Cash Generated From Investing Activities	5,333		5,333
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid	(17,169)		(17,169)
Interest paid	(664)		(664)
Repayment of bank borrowings	(6,800)		(6,800)
Net Cash Used In Financing Activities	(24,633)		(24,633)
NET INCREASE IN CASH & CASH EQUIVALENTS	68,238		68,238
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	343,484		343,484
Effect of exchange rate changes	(489)		(489)
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	411,233		411,233

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 during the current and previous corresponding quarter:

	<u>31.12.2018</u>	<u>31.12.2017</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 six (6) months ended 31 December 2018 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	65,023	34,592	-	-	99,615
Inter-segment sales	-	-	3,393	(3,393)	-
Total revenue	65,023	34,592	3,393	(3,393)	99,615
Segment profit/(loss)	23,585	5,445	7,989	(9,632)	27,387
Investment revenue					8,213
Depreciation					(9,506)
Finance costs					(621)
Profit before taxation					25,473
Taxation					(8,895)
Profit for the period					16,578

Segment information for the six (6) months ended 31 December 2017 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	55,720	39,728	-	-	95,448
Inter-segment sales	-	-	2,814	(2,814)	-
Total revenue	55,720	39,728	2,814	(2,814)	95,448
Segment profit/(loss)	18,545	9,570	9,359	(7,784)	29,690
Investment revenue					8,697
Depreciation					(8,893)
Finance costs					(664)
Profit before taxation					28,830
Taxation					(8,609)
Profit for the period					20,221

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

There were no changes to the composition of the Group for the current quarter including business combination, acquisition or disposal of subsidiary, long term investments and restructuring.

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 a revenue of RM56.9 million and net profit of RM8.6 million for current quarter ended 31 December 2018 as compared to a revenue of RM47.3 million and net profit of RM5.3 million for the corresponding quarter of the previous year (restated).

Property development division contributed a revenue of RM41.0 million for current quarter compared to RM28.8 million of previous year's corresponding quarter. The higher revenue for the current quarter ended 31 December 2018 was mainly due to higher contribution from on-going Desa Tebrau Phase 19&20 2-Storey Terrace Houses, newly launch Desa Tebrau Phase 19&20 Double Storey Cluster and The Marin Condominium in Penang which has delivered vacant possession during the current quarter.

Hotel operations registered a revenue of RM15.9 million for the current quarter compared to a revenue of RM18.5 million for the corresponding quarter of the previous year due to lower occupancy and food and beverage revenue. Novotel Kuala Lumpur's business dropped by 23% due to 55 rooms were closed for renovation in current quarter. The Four Points by Sheraton was rebranded to Mercure Penang Beach hotel, officially on 1 October 2018. Mercure Hotels is part of the Accor Hotels Group. As The Mercure is a relatively new brand, it will take some time for the hotel to make its presence felt in Penang.

For the 6-month financial period ended 31 December 2018, the Group recorded a revenue of RM99.6 million and net profit of RM16.6 million compared to a revenue of RM95.4 million and net profit of RM20.2 million for the previous financial period ended 31 December 2017 (restated). The higher revenue for the current financial period was mainly due to the higher contribution from both the existing and completed property development projects.

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

The Group posted a profit before tax of RM13.7 million for the current quarter ended 31 December 2018 as compared to a profit before tax of RM11.8 million for the immediate preceding quarter. The higher profit in the current quarter was due to the higher revenue contribution recognised from on-going Desa Tebrau Phase 19&20 2-Storey Terrace Houses and The Marin Condominium in Penang which has delivered vacant possession during the current 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 31.12.2018	6 months ended 31.12.2018
	RM'000	RM'000
Depreciation of property, plant and equipment	(4,834)	(9,204)
Depreciation of investment properties	(151)	(302)
Interest expense	(310)	(621)
Gain on disposal of investment property	144	144
Realised loss on foreign exchange	(39)	(25)
Unrealised loss on foreign exchange	(1,236)	(693)
Dividend income from short term investments	542	2,896
Fair value changes in short term investments	(8,927)	(4,646)
Interest income from short term deposits	1,370	3,287

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 December 2018.

6. Taxation

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

	Individual Quarter		Cumulative Quarters	
	3 months ended		6 months ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Taxation	<u>(5,148)</u>	<u>(3,081)</u>	<u>(8,895)</u>	<u>(8,609)</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:

Two indirect wholly-owned subsidiaries incorporated in Malaysia, PNT Materials Trading Sdn Bhd and Nomad International Sdn Bhd had commenced a members' voluntary winding up pursuant to Section 439(1) of the Companies Act 2016 on 19 April 2018 and on 3 May 2018 respectively.

The winding up of the above two companies is part of the Group's efforts to streamline operations and optimize overall efficiencies. It will not have any significant financial and operational impact on the Group's performance for financial year ending 30 June 2019.

8. Group Borrowings and Debt Securities

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

	31.12.2018	31.12.2017
	RM'000	RM'000
Current		
Term Loan (secured)	2,342	-
Non-Current		
Term Loan (secured)	21,997	24,338
Total	<u>24,339</u>	<u>24,338</u>

9. Changes in Material Litigation

There were no material litigation against the Group as at 19 February 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		6 months ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	(Restated)		(Restated)	
Profit attributable to owners of the Company (RM'000)	8,574	5,254	16,578	20,221
Weighted average number of ordinary shares in issue ('000)	381,534	381,534	381,534	381,534
Basic earnings per ordinary share (sen)	2.2	1.4	4.3	5.3

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 26 February 2019.

**By Order of the Board
PLENITUDE BERHAD**

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

26 February 2019