

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**A. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(RM'000)	Note	3 MONTHS ENDED		12 MONTHS ENDED	
		31.12.2018 (unaudited)	31.12.2017 (restated)	31.12.2018 (unaudited)	31.12.2017 (restated)
Revenue		374,106	349,649	1,870,705	2,640,649
Expenses		(369,568)	(336,259)	(1,778,873)	(2,494,548)
Other operating income	13	14,608	88,422	49,657	126,470
Profit from operations		19,146	101,812	141,489	272,571
Finance costs		(7,241)	19,705	(43,975)	(28,394)
Share of results of associates		3,667	3,188	18,171	9,252
Share of results of joint ventures		(7,870)	7,611	7,302	15,776
Profit before tax		7,702	132,316	122,987	269,205
Income tax expense	15	(7,385)	(26,738)	(46,086)	(68,778)
Profit from continuing operations		317	105,578	76,901	200,427
Profit from discontinued operations		25,998	(7,725)	25,754	(24,338)
Profit for the financial year		26,315	97,853	102,655	176,089
Other comprehensive income for the financial year, net of tax					
Item that may be reclassified subsequent to comprehensive income					
- currency translation differences		(842)	(289)	(1,479)	(112)
- share of associate's gain/(loss) on re-measurement of financial derivatives		(4)	231	66	88
Item that may not be reclassified subsequent to comprehensive income					
- actuarial loss on post-employment benefit obligations		-	(3,178)	-	(3,178)
Total comprehensive income for the financial year, net of tax		25,469	94,617	101,242	172,887
<b>Profit for the financial year attributable to:</b>					
Equity holders of the Company		26,400	98,650	101,167	161,913
Non-controlling interests		(85)	(797)	1,488	14,176
		26,315	97,853	102,655	176,089
<b>Total comprehensive income for the financial year attributable to:</b>					
Equity holders of the Company		25,554	95,341	99,754	158,638
Non-controlling interests		(85)	(724)	1,488	14,249
		25,469	94,617	101,242	172,887
Basic earnings/(loss) per share attributable to the ordinary equity holders of the Company (sen)					
- from the continuing operations	23	0.01	5.61	1.71	7.28
- from the discontinued operations	23	0.59	(1.11)	0.59	(0.95)
		0.60	4.50	2.30	6.33

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(RM'000)	Note	As at 31.12.2018 (unaudited)	As at 31.12.2017 (restated)	As at 1.1.2017 (restated)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		665,360	614,240	437,823
Investment properties		1,311,610	1,211,298	520,077
Inventories		1,660,924	1,557,440	1,767,639
Service concession asset		-	-	1,176,347
Associates		547,712	285,608	289,320
Joint ventures		300,368	293,065	12,545
Long term loan and receivable		2,208	3,920	34,497
Amount due from joint venture		69,869	30,268	-
Intangible assets		226,700	225,633	252,868
Deferred tax assets		86,874	117,663	96,248
		<u>4,871,625</u>	<u>4,339,135</u>	<u>4,587,364</u>
<b>Current assets</b>				
Inventories		1,043,726	885,099	816,185
Trade and other receivables		1,733,764	3,020,608	1,334,862
Amount due from associates and joint ventures		130,765	134,380	19,981
Tax recoverable		17,817	15,973	22,217
Financial assets at fair value through profit or loss		950	2,222	2,832
Service concession asset		-	1,135,279	-
Other investment		-	54,110	-
Deposits, cash and bank balances		551,634	724,237	722,157
		<u>3,478,656</u>	<u>5,971,908</u>	<u>2,918,234</u>
<b>TOTAL ASSETS</b>		<b><u>8,350,281</u></b>	<b><u>10,311,043</u></b>	<b><u>7,505,598</u></b>

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**B. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)**

(RM'000)	Note	As at 31.12.2018 (unaudited)	As at 31.12.2017 (restated)	As at 1.1.2017 (restated)
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the Company</b>				
Share capital		4,318,225	4,309,422	2,144,039
Share premium		-	-	372,391
Retained earnings		515,134	479,039	371,163
Other reserves		(910)	28,729	36,990
		<u>4,832,449</u>	<u>4,817,190</u>	<u>2,924,583</u>
Non-controlling interests		68,004	104,493	99,273
<b>Total equity</b>		<u>4,900,453</u>	<u>4,921,683</u>	<u>3,023,856</u>
<b>Non-current liabilities</b>				
Senior and Junior Sukuk		-	-	1,058,477
Post-employment benefit obligations		19,508	18,626	14,935
Long term borrowings		769,901	891,248	1,072,304
Long term liabilities		349,578	332,259	2,915
Government grant		131,805	80,186	62,971
Deferred tax liabilities		70,025	62,278	80,565
		<u>1,340,817</u>	<u>1,384,597</u>	<u>2,292,167</u>
<b>Current liabilities</b>				
Redeemable preference shares		-	178,699	-
Trade and other payables		1,364,179	1,296,207	1,340,692
Current tax liabilities		15,392	39,250	42,552
Senior and Junior Sukuk		-	1,058,500	-
Short term borrowings		729,440	1,432,107	806,331
		<u>2,109,011</u>	<u>4,004,763</u>	<u>2,189,575</u>
<b>Total liabilities</b>		<u>3,449,828</u>	<u>5,389,360</u>	<u>4,481,742</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,350,281</b></u>	<u><b>10,311,043</b></u>	<u><b>7,505,598</b></u>
<b>Net assets per share attributable to the equity holders of the Company (sen)</b>		<u><b>110.0</b></u>	<u><b>109.8</b></u>	<u><b>136.4</b></u>

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**C. CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>(RM'000)</b>	<b>12 MONTHS ENDED</b>	
	<b>31.12.2018</b> <b>(unaudited)</b>	<b>31.12.2017</b> <b>(unaudited)</b>
<b>Operating activities</b>		
Cash receipts from customers	3,287,342	1,669,882
Cash paid to suppliers and employees	(2,041,584)	(2,575,348)
Cash used in operations	1,245,758	(905,466)
Bank services charges paid	(8,993)	(3,626)
Taxes paid	(70,040)	(64,697)
Net cash generated from/(used in) operating activities from continuing operations	1,166,725	(973,789)
Net cash (used in)/generated from operating activities from discontinued operations	(6,185)	85,090
	<u>1,160,540</u>	<u>(888,699)</u>
<b>Investing activities</b>		
Acquisition of equity investments	(17,300)	(989,016)
Net proceeds from divestment of equity investments	68,007	12,731
Dividend received	25,433	26,883
Lands acquisition	(333,034)	-
Non-equity investments	(28,599)	(278,835)
Acquisition of a subsidiary	-	179,111
Disposal of subsidiaries	(100)	(8,931)
Net cash used in investing activities from continuing operations	(285,593)	(1,058,057)
Net cash generated from investing activities from discontinued operations	1,326,318	1,084
	<u>1,040,725</u>	<u>(1,056,973)</u>
<b>Financing activities</b>		
Proceeds from issue of shares capital	9	1,798,079
Dividend paid to an equity holder	(106,239)	(70,096)
Proceeds from borrowings	1,479,806	3,315,560
Repayment of borrowings	(2,315,570)	(2,767,795)
Proceed from Government grant	51,663	17,215
Redemption of redeemable preference shares	(185,777)	-
Finance costs paid	(148,039)	(141,762)
Repayment of advances to non-controlling interest	-	(34,206)
Withdrawal/(placements) of restricted cash	128,120	(148,660)
Net cash (used in)/generated from financing activities from continuing operations	(1,096,027)	1,968,335
Net cash used in financing activities from discontinued operations	(1,099,464)	(151,387)
	<u>(2,195,491)</u>	<u>1,816,948</u>
Net increase/(decrease) in cash and cash equivalent	5,774	(128,724)
Cash and cash equivalents at beginning of the financial year	464,041	592,765
<b>Cash and cash equivalent at end of financial year</b>	<u>469,815</u>	<u>464,041</u>

**For the purpose of the consolidated statement of cash flows, the cash and cash equivalents comprised the following:**

Bank balances and deposits	551,634	724,237
Less: Bank balances and deposits held as security value	(81,819)	(260,196)
	<u>469,815</u>	<u>464,041</u>

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(RM'000)	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					
	Share Capital	Other Reserves	Retained Earnings	Total	Non-controlling Interests	Total Equity
<b>As at 1 January 2018 (as previously stated)</b>	4,309,422	56,819	457,849	4,824,090	104,498	4,928,588
Prior year adjustments (Note 25)	-	(28,090)	21,190	(6,900)	(5)	(6,905)
<b>As at 1 January 2018 (restated)</b>	4,309,422	28,729	479,039	4,817,190	104,493	4,921,683
<b>Comprehensive income</b>						
Profit for the financial year	-	-	101,167	101,167	1,488	102,655
<b>Other comprehensive income/(loss)</b>						
Currency translation differences	-	(1,479)	-	(1,479)	-	(1,479)
Share of associate's gain on re-measurement of financial derivatives	-	66	-	66	-	66
Post-employment benefit obligations	-	(711)	711	-	-	-
<b>Total comprehensive income/(loss)</b>	-	(2,124)	101,878	99,754	1,488	101,242
<b>Transactions with owners</b>						
Issuance of ordinary shares						
- pursuant to Restricted Share Plan	8,794	(8,794)	-	-	-	-
- conversion of warrants A	9	-	-	9	-	9
Acquisition of additional equity interest in subsidiary	-	-	(17,300)	(17,300)	-	(17,300)
Acquisition of a subsidiary	-	-	-	-	0	0
Dilution of a subsidiary	-	-	-	-	2	2
Share-based payment transaction	-	9,634	-	9,634	-	9,634
Redemption of redeemable preference shares	-	-	-	-	(8,579)	(8,579)
Expiry of warrants A	-	(28,355)	28,355	-	-	-
Dividends paid for financial year ended						
- 31 December 2017	-	-	(76,838)	(76,838)	-	(76,838)
- 31 December 2018	-	-	-	-	(29,400)	(29,400)
<b>Total transactions with owners</b>	8,803	(27,515)	(65,783)	(84,495)	(37,977)	(122,472)
<b>As at 31 December 2018 (unaudited)</b>	4,318,225	(910)	515,134	4,832,449	68,004	4,900,453

"0" denotes as amount less than RM1,000.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

(RM'000)	OTHER RESERVES						Total
	Other Reserves	Revaluation Reserves	Currency Translation Reserves	Share Scheme Reserves	Warrants Reserves	Retirement Benefit Reserves	
<b>As at 1 January 2018 (as previously stated)</b>	1,239	28,090	530	4,310	28,355	(5,705)	56,819
Prior year adjustments (Note 25)	-	(28,090)	-	-	-	-	(28,090)
<b>As at 1 January 2018 (restated)</b>	1,239	-	530	4,310	28,355	(5,705)	28,729
<b>Other comprehensive income/(loss)</b>							
Currency translation differences	-	-	(1,479)	-	-	-	(1,479)
Share of associate's gain on re-measurement of financial derivatives	66	-	-	-	-	-	66
Post-employment benefit obligations	-	-	-	-	-	(711)	(711)
<b>Total comprehensive income/(loss)</b>	66	-	(1,479)	-	-	(711)	(2,124)
<b>Transactions with owners</b>							
Issuance of ordinary shares							
- pursuant to Restricted Share Plan	-	-	-	(8,794)	-	-	(8,794)
Share-based payment transaction	-	-	-	9,634	-	-	9,634
Expiry of warrants A	-	-	-	-	(28,355)	-	(28,355)
	-	-	-	840	(28,355)	-	(27,515)
<b>As at 31 December 2018 (unaudited)</b>	1,305	-	(949)	5,150	-	(6,416)	(910)

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

(RM'000)	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY					Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total		
<b>As at 1 January 2017 (as previously stated)</b>	2,144,039	372,391	65,080	344,311	2,925,821	99,221	3,025,042
Prior year adjustments (Note 25)	-	-	(28,090)	26,852	(1,238)	52	(1,186)
<b>As at 1 January 2017 (restated)</b>	2,144,039	372,391	36,990	371,163	2,924,583	99,273	3,023,856
<b>Comprehensive income</b>							
Profit for the financial year (restated)	-	-	-	161,913	161,913	14,176	176,089
<b>Other comprehensive income/(loss)</b>							
Currency translation differences	-	-	(112)	-	(112)	-	(112)
Share of associate's gain on re-measurement of financial derivatives	-	-	88	-	88	-	88
Post-employment benefit obligations	-	-	666	(666)	-	-	-
Actuarial (loss)/gain on post-employment benefit obligations	-	-	(3,251)	-	(3,251)	73	(3,178)
<b>Total comprehensive income/(loss)</b>	-	-	(2,609)	161,247	158,638	14,249	172,887
<b>Transactions with owners</b>							
Issuance of ordinary shares	1,724,339	-	-	-	1,724,339	-	1,724,339
Acquisition of equity interest in a subsidiary	-	-	-	-	-	771	771
Employees' share option scheme							
- options granted	-	-	187	-	187	-	187
- options exercised	68,613	40	(3,222)	-	65,431	-	65,431
- options lapsed	-	-	(6,926)	6,926	-	-	-
Share-based payment transaction	-	-	4,309	-	4,309	-	4,309
Dividends paid for financial year ended							
- 31 December 2016	-	-	-	(60,297)	(60,297)	-	(60,297)
- 31 December 2017	-	-	-	-	-	(9,800)	(9,800)
<b>Total transactions with owners</b>	1,792,952	40	(5,652)	(53,371)	1,733,969	(9,029)	1,724,940
Transition to no-par value regime	372,431	(372,431)	-	-	-	-	-
<b>As at 31 December 2017 (restated)</b>	4,309,422	-	28,729	479,039	4,817,190	104,493	4,921,683

\* The new Companies Act 2016 (the "Act"), which came into effect on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, the amount standing to the credit of the share premium account becomes part of the Company's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. Notwithstanding this provision, the Company may within 24 months from the commencement of the Act, use the amount standing to the credit of its share premium account of RM372,431,093.31 for the purposes as set out in Section 618(3) of the Act. There is no impact on ordinary shares in issue or the relative entitlement of any of the members as a result of the transition.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)**

(RM'000)	OTHER RESERVES						Total
	Other Reserves	Revaluation Reserves	Currency Translation Reserves	Share Scheme Reserves	Warrants Reserves	Retirement Benefit Reserves	
<b>As at 1 January 2017 (as previously stated)</b>	1,151	28,090	642	9,962	28,355	(3,120)	65,080
Prior year adjustments (Note 25)	-	(28,090)	-	-	-	-	(28,090)
<b>As at 1 January 2017 (restated)</b>	1,151	-	642	9,962	28,355	(3,120)	36,990
<b>Other comprehensive income/(loss)</b>							
Currency translation differences	-	-	(112)	-	-	-	(112)
Share of associate's loss on re-measurement of financial derivatives	88	-	-	-	-	-	88
Post-employment benefit obligations	-	-	-	-	-	666	666
Actuarial loss on post-employment benefit obligations	-	-	-	-	-	(3,251)	(3,251)
<b>Total comprehensive income/(loss)</b>	88	-	(112)	-	-	(2,585)	(2,609)
<b>Transactions with owners</b>							
Employees' share option scheme							
- options granted	-	-	-	187	-	-	187
- options exercised	-	-	-	(3,222)	-	-	(3,222)
- options lapsed	-	-	-	(6,926)	-	-	(6,926)
Share-based payment transaction	-	-	-	4,309	-	-	4,309
	-	-	-	(5,652)	-	-	(5,652)
<b>As at 31 December 2017 (restated)</b>	1,239	-	530	4,310	28,355	(5,705)	28,729

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2017.



**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT****1. BASIS OF PREPARATION**

This unaudited quarterly financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting, Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's financial statements for the financial year ended 31 December 2017.

The Group has adopted the new IFRS-compliant framework, MFRS for the current financial year beginning 1 January 2018. In adopting the new framework, the Group has applied MFRS 1 'First-time Adoption of MFRS'. The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 January 2017, being the transition date, and throughout all the years presented, as if these policies had always been in effect.

A number of new standards and amendments to standards and interpretation are effective for the current financial year beginning on 1 January 2018. None of these are expected to have any significant effect on the consolidated financial statements of the Group except the following set out below:

- (a) MFRS 1 'First-time Adoption of MFRS';
- (b) MFRS 9 'Financial Instruments', replaces FRS 139 'Financial Instruments: Recognition and Measurement'; and
- (c) MFRS 15 'Revenue from contracts with Customers', replaces FRS 118 'Revenue' and FRS 111 'Construction contracts' and related interpretations.

Based on the assessment undertaken to date, the Group does not expect any significant change in revenue being recognised arising from the adoption of MFRS 15.

The impact of the adoption of the MFRSs and amendments to MFRSs to the Group's reported financial position and comprehensive income are disclosed in Noted 25.

**2. AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the Group's preceding annual financial statements was not subject to any qualification.

**3. SEASONAL OR CYCLICAL FLUCTUATIONS**

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the financial quarter under review.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****4. ITEMS OF UNUSUAL NATURE, SIZE OR INCIDENCE**

On 12 November 2018, MRCB Lingkar Selatan Sdn Bhd ("MLSSB"), a wholly owned subsidiary of MRCB Prasarana Sdn Bhd, which in turn is a wholly owned subsidiary of the Company, entered into a termination and settlement agreement in relation to the Concession Termination ("Termination Agreement") in relation to the Eastern Dispersal Link Expressway ("EDL") with the Government of Malaysia ("GOM"). Pursuant to the Termination Agreement, the GOM agreed to pay MLSSB a sum of RM1,325,800,000 ("Settlement Sum") in cash, subject to the terms and conditions contained in the Termination Agreement. Both MLSSB and the GOM have also agreed that the Termination Agreement came into effect on 1 January 2018.

The Settlement Sum was received on 23 November 2018 and the Concession Termination was completed on 14 February 2019.

There were no other items of an unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows in the financial quarter under review.

**5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED**

There were no changes in estimates of amounts reported in the prior financial year that would have a material effect on the results of the financial quarter under review.

**6. DEBT AND EQUITY SECURITIES**

During the financial quarter under review, there were a total of 25,600 new ordinary shares issued by the Company arising from the allotment of ordinary shares to eligible executives and employees, pursuant to the terms of the Offer Letter of the Restricted Share Plan dated 20 December 2017, in accordance with the By-Laws governing the Long-term Incentive Plan of the Company.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial quarter under review.

**7. DIVIDENDS**

The Directors recommend the payment of a first and final single tier dividend in respect of the financial year ended 31 December 2018 of 1.75% or 1.75 sen per ordinary share, totaling approximately RM77 million which is subject to the approval of the members of the Company at the forthcoming Annual General Meeting.



**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**8. SEGMENTAL REPORTING**

<b>(RM'000)</b>	<b>Property Development &amp; Investment</b>	<b>Engineering, Construction &amp; Environment</b>	<b>Facilities Management &amp; Parking</b>	<b>Others</b>	<b>Group</b>	<b>Discontinued operations</b>	<b>Total</b>
<b>12 months ended 31.12.2018</b>							
Total revenue	1,050,343	1,401,263	56,430	265,533	2,773,569	-	2,773,569
Inter-segment revenue	(7,673)	(642,685)	(3,107)	(249,399)	(902,864)	-	(902,864)
External revenue	1,042,670	758,578	53,323	16,134	1,870,705	-	1,870,705
Segment profit	97,848	56,228	6,390	(5,280)	155,186	74,506	229,692
Unallocated corporate expenses					(34,285)	-	(34,285)
Finance income					20,589	475	21,064
Finance costs					(43,976)	634	(43,342)
Share of results of associates and joint ventures	11,289	14,184	-	-	25,473	-	25,473
Profit before tax					122,987	75,615	198,602

\* **Discontinued operations represent infrastructure and concession segment.**



**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**8. SEGMENTAL REPORTING (cont'd)**

<b>(RM'000)</b>	<b>Property Development &amp; Investment</b>	<b>Engineering, Construction &amp; Environment</b>	<b>Facilities Management &amp; Parking</b>	<b>Others</b>	<b>Group</b>	<b>Discontinued operations</b>	<b>Total</b>
<b>12 months ended 31.12.2017 (restated)</b>							
Total revenue	795,538	2,304,365	61,074	238,372	3,399,349	112,053	3,511,402
Inter-segment revenue	(7,792)	(530,478)	(5,319)	(215,111)	(758,700)	-	(758,700)
External revenue	787,746	1,773,887	55,755	23,261	2,640,649	112,053	2,752,702
Segment profit	168,634	92,691	11,436	1,631	274,392	55,718	330,110
Unallocated corporate expenses					(24,555)	-	(24,555)
Finance income					22,734	2,815	25,549
Finance costs					(28,394)	(87,721)	(116,115)
Share of results of associates and joint ventures	9,694	15,334	-	-	25,028	-	25,028
Profit before tax					269,205	(29,188)	240,017

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****9. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT**

The valuations of property, plant and equipment have been brought forward without any material amendments from the previous financial statements.

**10. MATERIAL EVENTS SUBSEQUENT TO THE FINANCIAL YEAR**

- (a) On 23 January 2019, MRCB Australia Holding Company Pty Ltd, the Company's wholly owned subsidiary, incorporated a new subsidiary in Australia, namely MRCB Docklands Pty Ltd. The issued and paid up share capital of Docklands Pty Ltd is AUD2 comprising 2 ordinary shares.
- (b) On 28 January 2019, the Company's wholly owned subsidiary, MRCB Builders Sdn Bhd ("MBSB") acknowledged receipt and agreed to the terms and conditions stipulated in the Letter of Acceptance from Tumpike Synergy Sdn Bhd dated 18 January 2019 in relation to the contract for Projek Penswastan Lebuhraya Bertingkat Sungai Besi - Ulu Kelang Package CA2 - Construction And Completion of Mainline And Other Associated Works From CH.2400 To CH.4200 ("the Project"). MBSB received the Letter of Acceptance on 23 January 2019.

The contract price for the Project is RM323 million. The completion date of the Project is 3 April 2020, i.e. within 14 months from the date of site possession on 4 February 2019.

- (c) On 19 February 2019, MRCB Innovations Sdn Bhd, the Company's wholly owned subsidiary, incorporated a new wholly owned subsidiary in Hong Kong, namely MRCB Innovations (HK) Pte Limited.

The principal activity of MRCB Innovations (HK) Pte Limited is investment holding with an issued and paid up share capital of HKD2 comprising 2 ordinary shares.

Other than the above, there were no other material events subsequent to the end of the financial quarter ended 31 December 2018 that have not been reflected in this report.

**11. CHANGES IN THE COMPOSITION OF THE GROUP**

On 31 May 2017, the Company, Rukun Juang Sdn Bhd ("RJSB"), an 85% owned subsidiary of the Company, Tanjung Wibawa Sdn Bhd ("TWSB"), a wholly owned subsidiary of the Employees Provident Fund Board, and the Company's 85% owned subsidiary, Bukit Jalil Sentral Property Sdn Bhd ("BJSPSB") entered into a subscription and shareholders' agreement which entailed the following:

- (i) RJSB and TWSB will co-invest in BJSPSB, for the purpose of jointly developing the three (3) parcels of leasehold land located in Bukit Jalil, Kuala Lumpur measuring approximately 76.14 acres ("Lands"), which were transferred by the Government of Malaysia via Syarikat Tanah dan Harta Sdn Bhd on 17 April 2018 to BJSPSB as consideration of RJSB undertaking a Privatisation Project at the National Sport Complex in Bukit Jalil; and
- (ii) the proposed disposal by RJSB of the Lands to BJSPSB for an aggregate consideration of up to RM1,426,163,112

(collectively referred to as the "Proposed Joint Venture").

The Proposed Joint Venture was completed on 19 December 2018. With this, BJSPSB became the Company's 17% equity owned associate.

There were no other changes in the composition of the Group for the financial quarter under review.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

	(RM'000)	As at 31.12.2018	As at 31.12.2017
1	Performance guarantees extended to third parties *	570,565	309,747
2	Disputed claims from sub-contractor arising from business transaction	4,371	-
	Total	574,936	309,747

\* Included in the performance guarantees extended to third parties is an amount RM31.4 million that has been called on by third parties. The Group had instituted an injunction proceeding against the third parties. The performance guarantees which have been called upon have not been provided in the financial statements as the Board of Directors, based on external expert advice, are of the opinion the third parties are not likely to succeed, and thus would not have a material effect on the financial position of the business of the Group.

There were no material contingent assets to be disclosed.

**13. OTHER OPERATING INCOME**

There were no items of an unusual nature in the other operating income in the financial quarter under review.

**14. PROFIT FROM OPERATIONS - CONTINUING OPERATIONS**

Profit from continuing operations was arrived at after (charging)/crediting:

RM'000	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Depreciation:				
- investment properties	(4,189)	(1,571)	(6,243)	(4,675)
- property, plant and equipment	(10,504)	(4,880)	(19,284)	(20,743)
Amortisation of order book	(1,023)	(3,419)	(5,480)	(5,683)
Gain on disposal of:				
- a subsidiary	-	-	-	3,845
- a joint venture	-	-	-	1,649

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**15. INCOME TAX EXPENSE - CONTINUING OPERATIONS**

RM'000	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2018	31.12.2017 (restated)	31.12.2018	31.12.2017 (restated)
Current tax:				
- Malaysia income tax	(8,921)	(27,461)	(53,956)	(84,063)
- Over/ (under) provision in prior years	169	(309)	2,257	2,560
Deferred tax	1,367	1,032	5,613	12,725
	<u>(7,385)</u>	<u>(26,738)</u>	<u>(46,086)</u>	<u>(68,778)</u>

The effective tax rate of 38.0% for the current financial year is slightly higher than the statutory rate of taxation, mainly due to certain expenses being non-tax deductible.

The deferred tax was mainly due to the net impact from the reversal of deferred tax liabilities and some non-deductible temporary differences, as well as recognition of unabsorbed tax losses and deductible timing differences as deferred tax assets.

**16. CORPORATE PROPOSALS**

At the date of this report, the status of the utilisation of the proceeds raised from the renounceable rights issue on 3 November 2017 is as follows:

No.	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Timeframe For Utilisation
1	Advances to Rukun Juang Sdn Bhd to finance its privatization project in Bukit Jalil, Kuala Lumpur	793,689	793,689	Within 6 months
2	Repayment of borrowings	766,918	766,918	Within 6 months
3	Property development activities and/ or construction projects	33,042	33,042	Within 24 months
4	General working capital	128,903*	77,378	Within 24 months
5	Estimated expenses in relation to the right issue	9,597*	9,597	Within 6 months
	Total	1,732,149	1,680,624	

\* An unutilized amount of RM5.403 million being the excess from the estimated expenses in relation to the right issue has been adjusted and added to general working capital.

Other than the above, there were no other corporate proposals announced that are yet to be completed at the date of this report.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****17. GROUP BORROWINGS**

The tenure of the Group borrowings classified as long and short term were as follows:

	Long term	Long term	Short term	Total borrowings	Total borrowings
RM'000	RM denomination	Foreign denomination <sup>^</sup>	RM denomination	Foreign denomination <sup>^</sup>	RM denomination
	<b>As at 4th quarter of 2018</b>				
Secured	728,192	41,709	564,516	41,709	1,292,708
Unsecured	-	-	164,924		164,924
	<b>As at 4th quarter of 2017</b>				
Secured	891,248	-	2,243,172	-	3,134,420
Unsecured	-	-	247,435	-	247,435

<sup>^</sup> AUD 14,360,210 @ 2.9045 with an weighted average interest rate of 4.93% per annum as at 31 December 2018.

The net decrease of RM1.882 billion in the Group's borrowings was mainly due to full settlement of the Senior and Junior Sukuk of RM1,058 million and other Group's borrowings after the Settlement Sum was received from the Government of Malaysia and the proceeds from the disposal of Lands by Rukun Juang Sdn Bhd as stated in Note 4 and Note 11 respectively.

As at 31 December 2018, the borrowings consist mainly of:

Secured term loans

- (a) Term loan of RM74 million to finance the subscription of ordinary shares in a subsidiary;
- (b) Fixed rate Islamic financing facility of RM148 million for the Group's working capital purposes;
- (c) Other project loans of RM1,112 million for the Group's on-going property development and construction projects.

Unsecured short term loans

- (d) Short term borrowings of RM165 million to finance on-going construction projects and working capital purposes.

Other than the secured Australian Dollar long term loan of AUD1.4 million, the Group's other borrowings as at 31 December 2018 were denominated in Ringgit Malaysia. The weighted average interest rate as at 31 December 2018 was 5.72% per annum (31 December 2017: 5.50%).

The Group's Net Gearing as at 31 December 2018 was 0.19 times (31 December 2017: 0.53 times).



**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**18. MATERIAL LITIGATION**

There is no material litigation arising from the Group's operational transactions at the date of this report.

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE - CONTINUING OPERATIONS**

(RM'000)	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	3 MONTHS ENDED		VARIANCE (Value / %)	12 MONTHS ENDED		VARIANCE (Value / %)
	31.12.2018	31.12.2017 (restated)		31.12.2018	31.12.2017 (restated)	
Revenue	374,106	349,649	24,457 7%	1,870,705	2,640,649	(769,944) (29%)
Operating profit	19,146	101,812	(82,666) (81%)	141,489	272,571	(131,082) (48%)
Profit before interest and tax	14,591	92,781	(78,190) (84%)	120,901	249,838	(128,937) (52%)
Profit before tax	7,702	132,316	(124,614) (94%)	122,987	269,205	(146,218) (54%)
Profit after tax	317	105,578	(105,261) (100%)	76,901	200,427	(123,526) (62%)
Total profit attributable to equity holders of the Company (include profit from discontinued operations)	26,400	98,651	(72,251) (73%)	101,167	161,914	(60,747) (38%)

The Group recorded revenue and profit before tax of RM1.9 billion and RM123.0 million respectively for the financial year ended 31 December 2018, compared to RM2.6 billion and RM269.2 million respectively recorded in the preceding financial year ended 31 December 2017 under the continuing operations.

The 29.4% decline in Revenue in 2018 compared to the corresponding period in 2017 was due to the absence of RM1.1 billion of revenue from the regeneration and redevelopment of the KL Sports City in Bukit Jalil that was completed in July 2017, which represented 41% of MRCB's total Revenue in 2017. The toll collection revenue from the Eastern Dispersal Link ("EDL") Expressway, which was discontinued on 1 January 2018, was reclassified as a discontinued operation in 2018, and consequently contributed no revenue during the year.

Profit Before Tax fell 54.0%, impacted by the LRT 3 project being re-modelled to a fixed price contract by the Government, which resulted in the deferment and re-timing of income recognition from the project, from the second half of FY2018 to FY2019 and beyond. As a result, the Group's 50%-owned LRT 3 project joint venture company MRCB George Kent Sdn Bhd contributed lower profit after tax of RM14.6 million, compared with RM15.2 million in the corresponding period in 2017. This is considerably lower than budgeted due to the deferment of progress billings as a result of the time taken to re-negotiate contract terms with the Government.

The Group's 27.94% equity owned MQ REIT and associated company, MRCB Quill Management Sdn Bhd, both contributed a total of RM16.0 million profit after tax to the Group.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE - CONTINUING OPERATIONS (cont'd)**

**Segmental Breakdown of Revenue & Profit/(Loss) - Note 8\***

RM'000	3 MONTHS ENDED		12 MONTHS ENDED	
	31.12.2018	31.12.2017 (restated)	31.12.2018	31.12.2017 (restated)
<u>Revenue</u>				
Property development & investment	159,739	167,603	1,042,670	787,746
Engineering, construction & environment	197,357	159,491	758,578	1,773,887
Facilities management & parking	13,590	13,720	53,323	55,755
Others	3,420	8,835	16,134	23,261
	<u>374,106</u>	<u>349,649</u>	<u>1,870,705</u>	<u>2,640,649</u>
<u>Profit/(Loss)</u>				
Property development & investment	8,992	56,707	97,848	168,634
Engineering, construction & environment	11,419	46,143	56,228	92,691
Facilities management & parking	768	267	6,390	11,436
Others	4,826	(813)	(5,280)	1,631
	<u>26,004</u>	<u>102,304</u>	<u>155,186</u>	<u>274,392</u>

\* Profit before unallocated corporate expenses, finance costs and income and share of associates & joint ventures results.

The revenue and profit of the Group was mainly attributable to the two core operating segments below:

**(i) Property Development & Investment**

The Property Development & Investment division recorded a higher revenue of RM1.043 billion for the year ended 31 December 2018. This was mainly due to the Group completing its disposal of a piece of freehold land in Jalan Kia Peng for a total cash consideration of RM323 million in the third quarter of the year under review. The Group's on-going property development projects, namely 9 Seputeh mixed residential development in Jalan Klang Lama, the office towers in PJ Sentral Garden City, Sentral Suites in KL Sentral and Kalista Park Homes in Bukit Rahman Putra were the other main revenue contributors, as well as the sale of completed units from Sentral Residences and Q Sentral office block in KL Sentral and Easton Burwood in Melbourne. The Division also successfully completed and handed over Menara Putra to the Social Security Organisation ("SOCSO") on 16 October 2018.

The Group's investment holding in MQ REIT also continued to contribute recurring income of RM16.0 million for the financial year ended 31 December 2018.

The higher operating profit in the preceding financial year ended 31 December 2017 was mainly due to the construction completion of the Group's Easton Burwood apartment development in Melbourne, which resulted in revenue from all the completed units handed over to purchasers being 100% recognised in 2017.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**19. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR TO DATE - CONTINUING OPERATIONS (cont'd)**

**(ii) Engineering, Construction & Environment**

The Engineering, Construction & Environment division recorded a revenue of RM758.6 million in 2018 compared to RM1,773.9 million in the preceding financial year ended 31 December 2017. Despite the 57.2% decline in revenue, which was due to the absence of construction revenue derived from the regeneration and redevelopment of the National Sports Complex project that was completed in July 2017, operating profit only fell by 39.3% to RM56.2 million for the financial year ended 31 December 2018.

The division's revenue was mainly contributed by the Mass Rapid Transit 2 V210 Package project, the rehabilitation project at Sungai Pahang and construction works for most of the property development projects stated in (i) above. The division also completed several projects in 2018, namely Giant Kajang, Aman Desaru, Johor Land Tower, the Old Klang Road - New Pantai Expressway ("NPE") Link Bridge and the Sungai Pahang Rehabilitation Phase 3 project.

The Group's 50%-owned LRT 3 project joint venture company MRCB George Kent Sdn Bhd contributed lower profit after tax of RM14.6 million, compared with RM15.2 million in the corresponding period in 2017. This was considerably lower than budgeted due to the deferment of progress billings as a result of the time taken to re-negotiate contract terms with the Government from a PDP to a fixed price regime.

**20. FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER- CONTINUING OPERATIONS**

	<b>CURRENT QUARTER</b>	<b>IMMEDIATE PRECEDING QUARTER</b>	<b>VARIANCE (Value / %)</b>
RM'000	<b>31/12/2018</b>	<b>30/9/2018</b>	
Revenue	374,106	663,754	(289,648) / (44%)
Operating profit	19,146	42,918	(23,772) / (55%)
Profit before interest and tax	14,591	40,052	(25,461) / (64%)
Profit before tax	7,702	41,114	(33,412) / (81%)
Profit after tax	317	18,057	(17,740) / (98%)
Total profit attributable to equity holders of the Company (include profit from discontinued operations)	26,400	18,444	7,956 / 43%

The Group recorded revenue and profit before taxation of RM374.1 million and RM7.7 million respectively, in the quarter ended 31 December 2018, compared to revenue of RM663.8 million and profit before taxation of RM41.1 million recorded in the preceding quarter ended 30 September 2018.

The higher revenue and profit before taxation recorded in the immediate preceding quarter was mainly due to the Property Development & Investment division's sale of a piece of freehold land in Jalan Kia Peng for a total cash consideration of RM323 million, which also contributed a profit before taxation of RM37.6 million. This disposal resulted in the division recording a revenue and profit before tax of RM469.1 million and RM33.8 million respectively in the immediate preceding quarter compared to RM159.7 million and RM9.0 million in the current quarter.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****21. PROSPECTS**

The Group's major source of revenue and operating profits come from its Property Development & Investment and Engineering, Construction & Environment divisions.

**(i) Property Development & Investment**

In 2018, the Group's Property Development & Investment division sold RM469.6 million worth of properties. This refers to properties that have been sold to buyers, which will be progressively recognised as revenue as the properties are constructed. These were mainly derived from Sentral Suites, which recorded RM235.8 million sales, followed by TRIA Phase 1, which forms Parcel B of 9 Seputeh, with RM119.5 million sales.

Of the Group's residential projects currently in development, 1060 Carnegie in Melbourne, Australia has achieved a take up rate of 79%, while Towers 1 and 3 of Sentral Suites have achieved combined take up rates of 74%, and Kalista Park Homes of 63%.

The division will continue to focus its marketing efforts on its residential development projects, namely Sentral Suites in KL Sentral (GDV: RM1,529 million), 1060 Carnegie in Melbourne (GDV: RM305 million) and Kalista Park Homes in Bukit Rahman Putra (GDV: RM101 million), as well as the remaining unsold units in the Sentral Residences and VIVO in 9 Seputeh, which has historically achieved strong sales. The opening of the new link bridge connecting the Old Klang Road with the New Pantai Expressway has improved connectivity considerably to the 9 Seputeh development and should help spur further sales within this development.

Revenue and operating profit in the Property Development & Investment division will continue to be progressively recognised in line with construction progress in 2019 from VIVO (9 Seputeh) and the 2 en-bloc office towers sold in PJ Sentral Garden City.

Sentral Suites will continue to contribute revenue and operating profit until its physical completion in 2021, while TRIA should commence contributing this year. In Melbourne, 1060 Carnegie will only contribute to revenue and operating profit upon physical completion and the handover of units to purchasers, anticipated in 2020.

Overall, the Group had total cumulative unbilled sales in its Property Development & Investment division which are expected to deliver RM1,563 million in revenue to be booked over the development lifespan of its projects, approximately 87% of which are residential and 13% commercial.

With interests in 282 acres of urban land, the Group has a sustainable stream of future projects with a total GDV of RM31 billion, as shown in the following table:

<b>Developments</b>	<b>Land Size (Acres)</b>	<b>GDV (RM' Mil)</b>
Transport Oriented Developments	149.87	24,382
Commercial	67.52	770
Residential	48.26	5,522
International	1.00	305
Others	15.63	-
<b>Grand Total</b>	<b>282.28</b>	<b>30,979</b>

The division also earns a relatively stable recurring income stream from its residual investment properties in KL Sentral CBD and Shah Alam and its 27.94% equity interest in MQ REIT.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****21. PROSPECTS (cont'd)****(ii) Engineering, Construction & Environment**

The Construction, Engineering & Environment division continues to actively tender for more contracting projects to replenish its order book. The division currently has open tenders valued at RM2,931 million, and is placing greater emphasis on seeking infrastructure and long-term fee-based management projects. As at 31 December 2018, the external client order book stood at RM22.6 billion, which is amongst the highest in the industry. This will ensure that the division has a steady pipeline of contracts to sustain its business over many years.

<b>Major Construction Projects</b>	<b>Contract Value (RM' Mil)</b>
Bukit Jalil Sentral	11,008
LRT3 *	5,928
Kwasa Utama C8	3,145
MRT2 V210 Package	614
DASH - Package CB2	400
PR1MA Brickfields	335
Others	1,160
<b>Total</b>	<b>22,590</b>

\* 50% of joint venture's total contract value

As at 31 December 2018, the unbilled order book stood at RM21.5 billion.

The Group remains confident that its long-term prospects are positive given the sound strategies put in place to enhance the sustainability of both its Property Development & Investment and Engineering, Construction and Environment divisions, coupled with the Group's strengthened balance sheet.

**22. VARIANCE ON FORECAST PROFIT/PROFIT GUARANTEE**

Not applicable.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****23. EARNINGS PER SHARE (EPS)****Basic EPS**

The basic EPS is calculated by dividing the net profit for the current financial year by the weighted average number of shares in issue during the current financial year.

	<b>3 MONTHS ENDED</b>		<b>12 MONTHS ENDED</b>	
	<b>31.12.2018</b>	<b>31.12.2017 (restated)</b>	<b>31.12.2018</b>	<b>31.12.2017 (restated)</b>
Net profit for the financial year attributable to the owners of the parent (RM'000)				
- from continuing operations	402	106,376	75,415	186,252
- from discontinued operations	25,998	(7,725)	25,754	(24,338)
	<u>26,400</u>	<u>98,651</u>	<u>101,169</u>	<u>161,914</u>
Weighted average number of ordinary shares in issue ('000)	4,390,773	2,192,559	4,390,417	2,556,085
Basic EPS (sen)				
- from continuing operations	0.01	5.61	1.71	7.28
- from discontinued operations	0.59	(1.11)	0.59	(0.95)
	<u>0.60</u>	<u>4.50</u>	<u>2.30</u>	<u>6.33</u>

**Diluted Earnings Per Share**

The diluted earnings per share arising from the outstanding warrants B was not computed as the market value of the issued ordinary shares of the Company as at 31 December 2018 was lower than the exercise prices of the warrants B.

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018****E. NOTES TO THE REPORT (cont'd)****24. TRADE RECEIVABLES**

As at 31 December 2018, the Group's trade receivables of RM118,553,086 (31 December 2017: RM33,109,680) was past due their contracted payment date, but not impaired, as they relate to a number of external parties where there is no expectation of default. The age analysis of these trade receivables is as follows:

RM'000	<b>As at 31.12.2018</b>	<b>As at 31.12.2017</b>
Less than three months	47,133	18,648
Between three to six months	58,315	2,313
Between six to months and one year	4,419	3,540
More than one year	8,686	8,609
	<u>118,553</u>	<u>33,110</u>

The movement of the provision for impairment of trade receivables during the financial year are as follows:

RM'000	<b>As at 31.12.2018</b>	<b>As at 31.12.2017</b>
As start of the financial year	7,131	11,472
Provision for impairment of receivables	66	1,082
Reversal of impairment	(1,164)	(1,597)
Written off	-	(3,349)
Disposal of a subsidiary	-	(477)
	<u>6,033</u>	<u>7,131</u>

The credit terms of the trade receivables range from 7 to 60 days. (2017: range from 7 to 60 days).

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**25. PRIOR YEAR ADJUSTMENTS AND DISCONTINUED OPERATIONS**

During the financial year under review, the Group made prior year adjustments in relation to:

- (1) MFRS 1 'First-time Adoption of MFRS';
- (2) MFRS 9 'Financial Instruments'; and
- (3) MFRS 15 'Revenue from contracts with customers'.

The financial effects arising from the Group's prior year adjustments are as follows:

RM'000	As previously reported	Prior year adjustments	As restated
<b>At 1 January 2017</b>			
<b>Consolidated statement of financial position</b>			
<b><u>Assets</u></b>			
Available for sale of financial assets	577	(577)	-
Deferred tax assets	96,588	(340)	96,248
Inventories	57,521	758,664	816,185
Property development costs	759,287	(759,287)	-
Trade and other receivables	1,334,888	(26)	1,334,862
Financial assets at fair value through profit or loss	2,255	577	2,832
<b><u>Liabilities</u></b>			
Retained earnings	344,311	26,852	371,163
Other reserves	65,080	(28,090)	36,990
Non-controlling interests	99,221	52	99,273
Deferred tax liabilities	80,368	197	80,565
<b>At 31 December 2017</b>			
<b>Consolidated statement of financial position</b>			
<b><u>Assets</u></b>			
Available for sale of financial assets	577	(577)	-
Deferred tax assets	116,603	1,060	117,663
Inventories	154,491	730,608	885,099
Property development costs	696,941	(696,941)	-
Trade and other receivables	3,045,275	(24,667)	3,020,608
Financial assets at fair value through profit or loss	1,645	577	2,222
<b><u>Liabilities</u></b>			
Retained earnings	457,849	21,190	479,039
Other reserves	56,819	(28,090)	28,729
Non-controlling interests	104,498	(5)	104,493
Trade and other payables	1,279,243	16,964	1,296,207



**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**25. PRIOR YEAR ADJUSTMENTS AND DISCONTINUED OPERATIONS (cont'd)**

Upon the completion of the Concession Termination as stated in Note 4, the Group has treated the infrastructure and concession business segment as discontinued operations.

The financial effects arising from the Group's prior year adjustments and discontinued operations for the consolidated statements of comprehensive income are as follows:

RM'000	As previously reported	Prior year adjustments	Discontinued operations	As restated
<b>Consolidated statements of comprehensive income 12 months ended 31 December 2017</b>				
Revenue	2,823,651	(70,949)	(112,053)	2,640,649
Expenses	(2,614,717)	63,633	56,536	(2,494,548)
Profit from operations	338,420	(7,316)	(58,533)	272,571
Profit before tax	247,333	(7,316)	29,188	269,205
Income tax expenses	(65,525)	1,597	(4,850)	(68,778)
Profit for the financial year	181,808	(5,719)	24,338	200,427
Loss from discontinued operations	-	-	(24,338)	(24,338)
Total comprehensive income	178,606	(5,719)	-	172,887
Profit attributable to equity holders of the Company	167,575	(5,662)	-	161,913
Profit attributable to non-controlling interests	14,233	(57)	-	14,176
Total comprehensive income attributable to equity holders of the Company	164,300	(5,662)	-	158,638
Total comprehensive income attributable to non-controlling interests	14,306	(57)	-	14,249
Basic earnings per share (sen)				
- from continuing operations	6.56	0.72	-	7.28
- from discontinued operations	-	-	(0.95)	(0.95)
	6.56	0.72	(0.95)	6.33

**UNAUDITED REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

**E. NOTES TO THE REPORT (cont'd)**

**25. PRIOR YEAR ADJUSTMENTS AND DISCONTINUED OPERATIONS (cont'd)**

The financial effects arising from the Group's prior year adjustments and discontinued operations for the consolidated statements of comprehensive income are as follows: (cont'd)

RM'000	<u>As previously reported</u>	<u>Prior year adjustments</u>	<u>Discontinued operations</u>	<u>As restated</u>
<b>Consolidated statements of comprehensive income 3 months ended 31 December 2017</b>				
Revenue	408,161	(30,368)	(28,144)	349,649
Expenses	(374,568)	23,625	14,684	(336,259)
Profit from operations	122,889	(6,743)	(14,334)	101,812
Profit before tax	131,572	(6,743)	7,487	132,316
Income tax expenses	(26,734)	(242)	238	(26,738)
Profit for the financial year	104,838	(6,985)	7,725	105,578
Loss from discontinued operations	-	-	(7,725)	(7,725)
Total comprehensive income	101,602	(6,985)	-	94,617
Profit attributable to equity holders of the Company	105,653	(7,003)	-	98,650
Profit attributable to non-controlling interests	(815)	18	-	(797)
Total comprehensive income attributable to equity holders of the Company	102,344	(7,003)	-	95,341
Total comprehensive income attributable to non-controlling interests	(742)	18	-	(724)
Basic earnings per share (sen)				
- from continuing operations	4.82	0.79	-	5.61
- from discontinued operations	-	-	(1.11)	(1.11)
	<u>4.82</u>	<u>0.79</u>	<u>(1.11)</u>	<u>4.50</u>

Certain comparative figures in the notes to the report above have been adjusted or extended to conform with changes in presentation and to comply with the additional disclosures requirements of the MFRS that are applicable for the financial year ended 31 December 2018.

Kuala Lumpur  
26 February 2019

By Order of the Board

Mohd Noor Rahim Yahaya  
Company Secretary