ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of financial position as at 31 December 2019

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Assets					
Cash and cash equivalents	3	55,988	13,781	53,858	874
Financial assets at fair value through profit or loss	4	20,958	-	20,958	-
Financial assets at fair value through other comprehensive income	5	20,423	21,353	20,423	21,353
Tax recoverable		87	596	75	261
Trade and other receivables	6	25,852	5,483	23,970	63,573
Inventories		13	74	-	-
Loans, advances and financing	7	5,738	57,903	-	-
Investment in subsidiaries	8	-	-	10,929	15,669
Investment in joint ventures	9	65,762	67,537	64,659	65,247
Right-of-use assets	35	446	-	446	-
Property, plant and equipment	10	32,688	24,744	747	866
Total assets		227,955	191,471	196,065	167,843
Liabilities and equity					
Liabilities					
Tax payable		49	123	-	-
Deferred tax liabilities	11	22	109	23	5
Trade and other payables	12	5,875	7,163	523	4,694
Loans and borrowings	13	18,947	9,941	-	-
Lease liabilities	35	537	-	459	-
Total liabilities		25,430	17,336	1,005	4,699
Equity attributable to owners of the Company					
Share capital	14	107,546	107,546	107,546	107,546
Retained earnings		97,812	64,690	89,119	53,076
Reserves	15	(2,833)	1,899	(1,605)	2,522
Total equity		202,525	174,135	195,060	163,144
Total liabilities and equity		227,955	191,471	196,065	167,843

The accompanying notes form an integral part of the financial statements.

200501031433 (713570-K)

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of profit or loss
for the year ended 31 December 2019

		Group		Company	
	Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Continuing operations					
Revenue	16	11,743	7,144	3,422	3,927
Other income/(expenses)	17	1,027	557	(520)	(693)
		12,770	7,701	2,902	3,234
Operating expenses	18	(15,561)	(8,346)	(7,914)	(7,094)
Operating loss		(2,791)	(645)	(5,012)	(3,860)
Interest expense	19	(1,017)	(160)	(49)	(75)
Share of (loss)/profit of equity-accounted joint ventures	9	(1,212)	1,545	-	-
(Loss)/profit before tax		(5,020)	740	(5,061)	(3,935)
Income tax expense	21	(195)	(734)	(18)	(231)
(Loss)/profit from continuing operations		(5,215)	6	(5,079)	(4,166)
Discontinued operation					
Profit from disposal of a subsidiary, net of tax	22(a)	35,549	1,691	38,376	-
Profit/(loss) from discontinued operation, net of tax	22(e)	-	3,439	-	(577)
Profit/(loss) from discontinued operation, net of tax		35,549	5,130	38,376	(577)
Profit/(loss) for the year		30,334	5,136	33,297	(4,743)
Attributable to owners of the Company		30,334	5,136	33,297	(4,743)
		Sen	**Sen**		
Basic earnings/(loss) per ordinary share:					
- from continuing operations	23	(1.09)	-		
- from discontinued operation	23	7.41	1.30		
		6.32	1.30		

The accompanying notes form an integral part of the financial statements.

200501031433 (713570-K)

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of comprehensive income for the year ended 31 December 2019

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Profit/(loss) for the year	30,334	5,136	33,297	(4,743)
Other comprehensive loss:				
Items that will not be reclassified subsequently to profit or loss:				
Fair value changes on financial assets	(1,381)	(247)	(1,381)	(235)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating investment in foreign assets	(563)	(447)	-	-
Other comprehensive loss for the year, net of tax	(1,944)	(694)	(1,381)	(235)
Total comprehensive income/(loss) for the year, net of tax	28,390	4,442	31,916	(4,978)
Attributable to owners of the Company	28,390	4,442	31,916	(4,978)

The accompanying notes form an integral part of the financial statements.

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of changes in equity
for the year ended 31 December 2019

	<--------------- Non-distributable			--------------->	Distributable	
Group	**Share capital RM'000**	**Foreign currency translation deficit RM'000**	**Fair value through other comprehensive income deficit RM'000**	**General reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
At 1 January 2019	107,546	(447)	(442)	2,788	64,690	174,135
Profit for the year	-	-	-	-	30,334	30,334
Other comprehensive loss	-	(563)	(1,381)	-	-	(1,944)
Total comprehensive (loss)/income	-	(563)	(1,381)	-	30,334	28,390
Transfer of reserves *	-	-	-	(2,788)	2,788	-
At 31 December 2019	107,546	(1,010)	(1,823)	-	97,812	202,525

* This relates to general reserve on the Company's Employees' Share Option Scheme which has expired.

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of changes in equity
for the year ended 31 December 2019 (cont'd.)

Group	Note	Share capital RM'000	Foreign currency translation deficit RM'000	Fair value through other comprehensive income deficit RM'000	General reserve RM'000	Retained earnings RM'000	Total equity RM'000
		<---------------	Non-distributable	--------------->		Distributable	
At 1 January 2018		37,946	-	(195)	2,788	105,323	145,862
Profit for the year		-	-	-	-	5,136	5,136
Other comprehensive loss		-	(447)	(247)	-	-	(694)
Total comprehensive (loss)/income		-	(447)	(247)	-	5,136	4,442
Transactions with owners:							
Issuance of shares	14	69,600	-	-	-	-	69,600
Dividend paid	24	-	-	-	-	(45,769)	(45,769)
		69,600	-	-	-	(45,769)	23,831
At 31 December 2018		107,546	(447)	(442)	2,788	64,690	174,135

The accompanying notes form an integral part of the financial statements.

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of changes in equity
for the year ended 31 December 2019 (cont'd.)

		<------ Non-distributable	------>	Distributable	
Company	**Share capital RM'000**	**Fair value through other comprehensive income deficit RM'000**	**General reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
At 1 January 2019	107,546	(224)	2,746	53,076	163,144
Profit for the year	-	-	-	33,297	33,297
Other comprehensive income	-	(1,381)	-	-	(1,381)
Total comprehensive income	-	(1,381)	-	33,297	31,916
Transfer of reserves *	-	-	(2,746)	2,746	-
At 31 December 2019	107,546	(1,605)	-	89,119	195,060

* This relates to general reserve on the Company's Employees' Share Option Scheme which has expired.

ECM Libra Group Berhad
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Statements of changes in equity
for the year ended 31 December 2019 (cont'd.)

Company	Note	Share capital RM'000	<------ Non-distributable ------> Fair value through other comprehensive income deficit RM'000	General reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2018		37,946	11	2,746	103,588	144,291
Loss for the year		-	-	-	(4,743)	(4,743)
Other comprehensive loss		-	(235)	-	-	(235)
Total comprehensive loss		-	(235)	-	(4,743)	(4,978)
Transactions with owners:						
Issuance of shares	14	69,600	-	-	-	69,600
Dividend paid	24	-	-	-	(45,769)	(45,769)
		69,600	-	-	(45,769)	23,831
At 31 December 2018		107,546	(224)	2,746	53,076	163,144

The accompanying notes form an integral part of the financial statements.

Statements of cash flows
for the year ended 31 December 2019

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Cash flows from operating activities					
Profit/(loss) before tax:					
- from continuing operations		(5,020)	740	(5,061)	(3,935)
- from discontinued operation	22(a),22(e)	35,647	5,504	38,376	(577)
Adjustments for:					
Depreciation of property, plant and equipment	10	650	566	204	215
Depreciation of right-of-use assets	35	185	-	185	-
Net gain on financial assets at fair value through profit or loss	16	(1,158)	(198)	(1,158)	(198)
Net (gain)/loss on financial assets at fair value through other comprehensive income	16	-	(10)	-	2
Gain on bargain purchase	17	(808)	(721)	-	-
Gain on liquidation of a subsidiary	17	-	-	-	(3)
(Gain)/loss on disposal of discontinued operation	22(a),22(e)	(35,000)	(3,562)	(38,541)	563
Interest expense		1,017	160	49	75
Interest income		(2,523)	(5,100)	(2,037)	(3,058)
Loss on disposal of property, plant and equipment	17	-	104	-	104
Loss on foreign exchange translation	17	5	121	588	592
Property, plant and equipment written-off in respect of discontinued operation	22(e)	-	271	-	230
Share of (loss)/profit of equity-accounted joint ventures		1,212	(1,545)	-	-
Operating loss before changes in working capital		(5,793)	(3,670)	(7,395)	(5,990)
Decrease/(increase) in operating assets:					
Inventories		61	(74)	-	-
Loans, advances and financing		50,917	1,845	-	-
Trade and other receivables		(24,073)	532	497	2,266
(Decrease)/increase in operating liabilities:					
Liabilities classified as held for sale		-	(728)	-	(728)
Trade and other payables		13,543	2,755	(1,238)	1,432
Cash generated from/(used in) operations, balance carried forward		34,655	660	(8,136)	(3,020)

ECM Libra Group Berhad
(formerly known as ECM Libra Financial Group Berhad)
(Incorporated in Malaysia)

Statements of cash flows
for the year ended 31 December 2019 (cont'd.)

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Cash flows from operating activities (cont'd.)					
Balance brought forward		34,655	660	(8,136)	(3,020)
Interest received		3,694	4,430	2,159	2,610
Interest paid		(901)	(219)	(17)	(48)
Tax refunded		449	1	259	-
Tax paid		(472)	(1,298)	(73)	(304)
Net cash generated from/(used in) operating activities		37,425	3,574	(5,808)	(762)
Cash flows from investing activities					
Advances to subsidiaries		-	-	(19,775)	-
Increase in investments in a subsidiary	8	-	-	-	(2,500)
Investment in joint ventures	(a)	-	(8,044)	-	(8,044)
Net (acquisition)/disposal of financial assets		(20,251)	16,637	(20,251)	16,637
Purchase of property, plant and equipment	(b)	(9,306)	(11,582)	(85)	(942)
Proceeds from disposal of property, plant and equipment		-	261	-	261
Proceeds from liquidation of a subsidiary		-	-	-	5
Sale of discontinued operation					
- Proceeds from disposal of a subsidiary	22(c)	25,548	-	50,781	-
- Proceeds from disposal of property, plant and equipment	22(e)	-	28,000	-	28,000
- Compensation for loss of commercial value of assets classified as held for disposal of a subsidiary		-	-	-	(785)
Net cash (used in)/generated from investing activities		(4,009)	25,272	10,670	32,632
Cash flows from financing activities					
Dividend paid	24	-	(45,769)	-	(45,769)
Drawdown of loans and borrowings	13	9,000	10,000	-	-
Payment of lease liabilities	35	(204)	-	(204)	-
Repayment of loan to subsidiaries		-	-	51,259	2,780
(Repayment of)/proceeds from loan from a subsidiary		-	-	(2,933)	2,806
Net cash generated from/(used in) financing activities		8,796	(35,769)	48,122	(40,183)

**Statements of cash flows
for the year ended 31 December 2019 (cont'd.)**

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Net increase/(decrease) in cash and cash equivalents		42,212	(6,923)	52,984	(8,313)
Effects of foreign exchange differences		(5)	(121)	-	(121)
Cash and cash equivalents at beginning of the financial year		13,781	20,825	874	9,308
Cash and cash equivalents at end of the financial year	3	55,988	13,781	53,858	874

(a) Investment in joint ventures comprises:

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Cost of investment	9	-	65,718	-	-
Satisfied by issuance of shares *		-	(57,674)	-	-
Net cash outflow		-	8,044	-	-

(b) Purchase of property, plant and equipment comprises:

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Cost of investment	10	10,114	23,508	85	942
Gain on bargain purchase	33(a)	(808)	-	-	-
Satisfied by issuance of shares *		-	(11,926)	-	-
Net cash outflow (including drawdown of loans and borrowings)		9,306	11,582	85	942
* Total issuance of shares	14	-	(69,600)	-	-

The accompanying notes form an integral part of the financial statements.

Notes to the financial statements - 31 December 2019

1. Corporate information

The Company is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Ground Floor, East Wing, Bangunan ECM Libra, 8 Jalan Damansara Endah, Damansara Heights, 50490 Kuala Lumpur.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 8.

These financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2020.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared on a historical cost basis, unless otherwise stated in the accounting policies below.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2019, the Group and the Company adopted the following accounting standards, amendments and interpretations effective for annual periods beginning on or after 1 January 2019:

Amendments to MFRS 9 *Prepayment Features with Negative Compensation*
Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*
Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*
MFRS 16 *Leases*
IC Interpretation 23 *Uncertainty over Income Tax Treatments*
Annual Improvements to MFRS Standards 2015 - 2017 Cycle

2. Significant accounting policies (cont'd.)

2.2 Changes in accounting policies (cont'd.)

The adoption of the above accounting standards, amendments and interpretations, where relevant, did not have any significant effect on the financial performance or position of the Group and the Company, with the exception of MFRS 16 *Leases* as stated below:

MFRS 16 *Leases* ("MFRS 16")

As a lessee, the Group and the Company previously classified each of its leases as operating leases in accordance with MFRS 117 *Leases* ("MFRS 117"), if the arrangements do not transfer substantially all the risks and rewards incidental to ownership of the leased assets to the Group and the Company. Otherwise, they were classified as finance lease.

MFRS 16, which supersedes MFRS 117, eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 requires a lessee to account for all leases under a single on-balance sheet model similar to the accounting for a finance lease under MFRS 117 which involves the recognition of a "right-of-use" of the underlying asset and a lease liability reflecting future lease payments.

The Group and the Company have adopted MFRS 16 for the first time since 1 January 2019. In its transition to MFRS 16, the Group and the Company have elected to apply the modified retrospective approach whereby the comparative information has not been restated and continues to be reported under MFRS 117, as permitted by the transitional provisions of MFRS 16. The Group and the Company have made use of the following transitional practical expedients for recognition and measurement purposes at the date of initial application:

(i) The Group and the Company have elected not to reassess whether an agreement is, or contains a lease at the date of initial application. Instead, for agreements entered into before the transition date, the Group and the Company relied on its previous assessments made in accordance with MFRS 117 and IC Interpretation 4 *Determining whether an Arrangement contains a Lease*.

(ii) Lease agreements for which the remaining lease term ends within 12 months from the date of initial application are accounted as short-term leases whereby the Group and the Company have elected not to recognise the associated right-of-use assets and lease liabilities.

(iii) A single discount rate was applied for those portfolio of leases with reasonably similar characteristics, such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment.

2. Significant accounting policies (cont'd.)

2.2 Changes in accounting policies (cont'd.)

MFRS 16 *Leases* ("MFRS 16") (cont'd.)

The impacts arising from the adoption of MFRS 16 are disclosed in Note 35.

(iv) Initial direct costs were excluded from the measurement of the right-of-use assets at the date of initial application.

2.3 Standards issued but not yet effective

The following are accounting standards, amendments and interpretations issued by the Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and the Company's financial statements:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 2 *Share-Based Payment*	1 January 2020
Amendments to MFRS 3 *Business Combinations*	1 January 2020
Amendments to MFRS 6 *Exploration for and Evaluation of Mineral Resources*	1 January 2020
Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement* and MFRS 7 *Financial Instruments: Disclosures*	1 January 2020
Amendment to MFRS 14 *Regulatory Deferral Accounts*	1 January 2020
Amendments to MFRS 101 *Presentation of Financial Statements*	1 January 2020
Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2020
Amendments to MFRS 134 *Interim Financial Reporting*	1 January 2020
Amendment to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*	1 January 2020
Amendment to MFRS 138 *Intangible Assets*	1 January 2020
Amendment to IC Interpretation 12 *Service Concession Arrangements*	1 January 2020
Amendment to IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*	1 January 2020
MFRS 17 *Insurance Contracts*	1 January 2021
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate of Joint Venture*	Deferred

2. Significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective (cont'd.)

The Group and the Company will adopt the abovementioned standards, amendments and interpretations, if applicable, when they become effective in the respective financial year. These pronouncements are not expected to have any impact to the financial statements of the Group and the Company upon their initial application.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2019. The financial statements of the Company's subsidiaries are prepared for the same reporting date as the Company, using consistent accounting policies for transactions and events in similar circumstances.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its investment with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

2. Significant accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(i) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value at the acquisition date, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

2. Significant accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

(i) Business combinations and goodwill (cont'd.)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(ii) Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture are accounted for using the equity method.

2. Significant accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

(ii) Investment in joint ventures (cont'd.)

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income ("OCI") of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss within "Share of profit of equity-accounted joint ventures" in the statement of profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2. Significant accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

(iii) Investment in subsidiaries and joint ventures

In the Company's separate financial statements, investments in subsidiaries and joint ventures are carried at cost less any accumulated impairment losses. On disposal of investments in subsidiaries and joint ventures, the difference between disposal proceeds and the carrying amount of investments are recognised in the statement of profit or loss.

2.5 Foreign currencies

(i) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a cash flow hedge, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

2. Significant accounting policies (cont'd.)

2.5 Foreign currencies (cont'd.)

(iii) Operations denominated in functional currencies other than RM

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. When a foreign operation is disposed of such that control, joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in a joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

2.6 Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the Group or the Company become a party to the contractual provisions of the instrument.

A financial asset or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Classification of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

2. Significant accounting policies (cont'd.)

2.6 Financial instruments (cont'd.)

(ii) Financial instrument categories and subsequent measurement (cont'd.)

Financial assets (cont'd.)

(a) Amortised cost

The amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying the effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2.13(i)) where the effective interest rate is applied to the amortised cost.

(b) Fair value through other comprehensive income

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

(c) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as financial assets at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. Significant accounting policies (cont'd.)

2.6 Financial instruments (cont'd.)

(ii) Financial instrument categories and subsequent measurement (cont'd.)

Financial assets (cont'd.)

(c) Fair value through profit or loss (cont'd.)

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2.13(i)).

Financial liabilities

The Group and the Company have not designated any financial liabilities as fair value through profit or loss. Financial liabilities that are not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in the current year.

Trade date accounting refers to:

- the recognition of an asset to be received and the liability to pay for it on the trade date, and

- derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

2. Significant accounting policies (cont'd.)

2.6 Financial instruments (cont'd.)

(iii) Regular way purchase or sale of financial assets (cont'd.)

Settlement date accounting refers to:

- the recognition of an asset on the day it is received by the Group or the Company, and

- derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group or the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group or the Company applies settlement date accounting unless otherwise stated for the specific class of asset.

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2. Significant accounting policies (cont'd.)

2.6 Financial instruments (cont'd.)

(v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

2.7 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within “other income” and “other expenses” respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2. Significant accounting policies (cont'd.)

2.7 Property, plant and equipment (cont'd.)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated as it has an infinite life. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	2%
Office renovations	10%
Furniture and fittings and office equipment	10% - 25%
Computers	10% - 33 1/3%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

2.8 Leases

Current financial year

(i) Recognition of Leases as a Lessee

For any new contracts entered into on or after 1 January 2019, the Group and the Company consider whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition, the Group and the Company assess whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group and the Company;

2. Significant accounting policies (cont'd.)

2.8 Leases (cont'd.)

Current financial year (cont'd.)

(i) Recognition of Leases as a Lessee (cont'd.)

- The Group and the Company have the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and

- The Group and the Company have the right to direct the use of the identified asset throughout the period of use. The Group and the Company assess whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

Whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement id dependent on the use of a specific asset or assets and the arrangement conveys the right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Group and the Company applied the short-term lease recognition exemption to its short-term leases of office equipment and applies the lease of low-value assets recognition exemption to the lease of web space. Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

(ii) Measurement of Leases as a Lessee

At lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability on the statements of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and the Company, an estimate of any costs to dismantle and remove the asset or to restore the asset or the site on which it is located at the end of the lease, and any lease payments made in advance of the lease commencement date, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term as follows:

Office premise	3.5 years

2. Significant accounting policies (cont'd.)

2.8 Leases (cont'd.)

Current financial year (cont'd.)

(ii) Measurement of Leases as a Lessee (cont'd.)

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using effective interest method, and is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the incremental borrowing rates of the Group and the Company.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the lease liability will be reduced for payments made and increased for interest accrued. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Previous financial year (prior to 1 January 2019)

(i) Recognition and measurement of Leases as a Lessee

(a) Finance Lease

Leases in which the Group and the Company assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased assets and the corresponding lease obligations are measured at an amount equal to the lower of the fair value of the leased asset at the beginning of the lease term and the present value of the minimum lease payments. In calculating the present value of the minimum lease payments, the discount factor used is the incremental borrowing rate within the group.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to property and equipment. Depreciation is provided at rates which write off the cost or valuation of the asset over the term of the relevant lease or, where it is likely that the Group and the Company will obtain ownership of the asset, the life of the asset.

2. Significant accounting policies (cont'd.)

2.8 Leases (cont'd.)

Previous financial year (prior to 1 January 2019) (cont'd.)

(i) Recognition and measurement of Leases as a Lessee (cont'd.)

(a) Finance Lease (cont'd.)

Finance charges implicit in the lease payments are charged to profit or loss over the period of the lease so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(b) Operating Lease

All assets under operating leases are not recognised on the statement of financial position. All lease rentals payable are accounted for on a straight-line basis over the lease term and are charged to profit or loss. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised in profit or loss in the period the termination takes place.

2.9 Intangible assets

(i) Goodwill

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses. In respect of equity-accounted joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted joint ventures.

(ii) Other intangible assets

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

2. Significant accounting policies (cont'd.)

2.9 Intangible assets (cont'd.)

(iv) Amortisation

Intangible assets with definite useful lives are amortised on a straight line basis and tested for impairment annually and whenever there is an indication that they may be impaired.

2.10 Inventories

Inventories are measured at the lower of cost and net realisable value, with cost being determined on the first-in, first-out basis. Cost includes actual cost of materials and incidentals in bringing stocks into store.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Discontinued operation

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative period.

2.12 Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.13 Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost. ECLs are a probability-weighted estimate of credit losses.

2. Significant accounting policies (cont'd.)

2.13 Impairment (cont'd.)

(i) Financial assets (cont'd.)

The Group and the Company measure loss allowances at an amount equal to lifetime ECL, except for cash and bank balance and other financial assets for which credit risk has not increased significantly since initial recognition, which are measured at their 12-month ECL. Loss allowances for other receivables are always measured at an amount equal to the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the asset, while 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and the Company are exposed to credit risk.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company also assess whether financial assets carried at amortised cost and other financial assets are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

2. Significant accounting policies (cont'd.)

2.13 Impairment (cont'd.)

(ii) Other assets

The carrying amounts of other assets (except for inventories, deferred tax asset and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

2. Significant accounting policies (cont'd.)

2.13 Impairment (cont'd.)

(ii) Other assets (cont'd.)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

2.14 Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issuance expenses

Costs directly attributable to the issuance of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(iii) Distributions of assets to owners of the Company

The Group measures a liability to distribute assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

2. Significant accounting policies (cont'd.)

2.15 Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. The Group's and the Company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate.

2.16 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in profit or loss.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic benefits will be required to settle the obligation, the provision is reversed.

2. Significant accounting policies (cont'd.)

2.17 Revenue and other income

(i) Revenue

Revenue of the Group and the Company comprise interest income, gains or losses on disposal of investments, dividend income and revenue arising from contracts with customers.

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer or when the services are rendered at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services. The Group and the Company have concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

Revenue is recognised on the following basis:

- Interest income is recognised on accrual basis over time using the effective interest method.
- Portfolio management fees such as management fees and performance fees are recognised upon rendering of fund management services or if it becomes probable that the performance of the fund will continue to exceed the target rate as and when fund management services are rendered.
- Other fees such as arrangement fees are recognised as and when services are performed.
- Gains or losses on disposal of investments are recognised upon execution of the transaction or trade by the stockbroker.
- Dividend and distribution income are recognised when the rights to receive payment is established.
- Revenue from hospitality businesses, comprising room rental, sales of food and beverages, laundry and other related services, is recognised when services are performed.

(ii) Rental income

Rental income from investment property is recognised in profit or loss over the term of the lease.

2. Significant accounting policies (cont'd.)

2.18 Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest expense in the statement of profit or loss.

2.19 Income tax

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities and any adjustment to tax payable in respect of the previous financial years. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

2. Significant accounting policies (cont'd.)

2.19 Income tax (cont'd.)

(ii) Deferred tax (cont'd.)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.20 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 28, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.21 Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. Significant accounting policies (cont'd.)

2.21 Contingencies (cont'd.)

(ii) Contingent assets

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

2.22 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted (unadjusted) market price in active markets for identical assets and liabilities

Refers to instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

2. Significant accounting policies (cont'd.)

2.22 Fair value measurements (cont'd.)

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Refers to inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds, illiquid equities and consumer loans and financing with homogeneous or similar features in the market.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Refers to instruments where fair value is measured using significant unobservable market data. The valuation technique is consistent with the Level 2. The chosen valuation technique incorporates the Group's and the Company's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

2.23 Significant accounting judgments and estimates

The preparation of the financial statements in conformity with MFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's and the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2. Significant accounting policies (cont'd.)

2.23 Significant accounting judgments and estimates (cont'd.)

(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available in the respective entities within the Group against which the losses and capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of the Group's and the Company's deferred tax assets and liabilities are as disclosed in Note 11.

(ii) Fair value measurement of financial instruments

For financial assets measured at fair value, where available, quoted and observable market prices in an active market or dealer price quotations are used to measure fair value. These include listed equity securities, prices quoted by independent data providers and independent broker quotations.

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

The comparison method seeks to determine the value of property by comparing and adopting as a yardstick, recent transaction and prices involving other similar properties in the vicinity. Due consideration is given for such factors including property type, location, plot size and permitted/licensed uses of the property. The comparison method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property. The yardstick applied by the Group and the Company is the price per square foot.

The significant unobservable input is the adjustment for factors specific to the properties of the joint ventures and subsidiaries within the Group and the Company. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

2. Significant accounting policies (cont'd.)

2.23 Significant accounting judgments and estimates (cont'd.)

(ii) Fair value measurement of financial instruments (cont'd.)

Significant judgement was applied by the Group and the Company to value the unquoted investments measured at fair value through other comprehensive income as described in Note 5.

(iii) Impairment losses on financial assets

The ECLs allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' ECLs.

The measurement of ECL will involve increased complexity and judgement that includes:

(a) Determining a significant increase in credit risk since initial recognition

The assessment of significant deterioration since initial recognition is the key in establishing the point of switching between the requirement to measure an allowance based on 12-month ECLs and one that is based on lifetime ECLs. The quantitative and qualitative assessments are required to estimate the significant increase in credit risk by comparing the risk of a default occurring on the financial assets as at reporting date with the risk of default occurring on the financial assets as at the date of initial recognition. The Group and the Company applies a three-stage approach based on the change in credit quality since initial recognition.

3-stage approach	Stage 1 Performing	Stage 2 Under-performing	Stage 3 Non-performing
ECL approach	12-month ECL	Lifetime ECL	Lifetime ECL
Criterion	No significance increase in credit risk	Credit risk increased significantly	Credit-impaired
Revenue/interest income based on	Gross carrying amount	Gross carrying amount	Net carrying amount

2. Significant accounting policies (cont'd.)

2.23 Significant accounting judgments and estimates (cont'd.)

(iii) Impairment losses on financial assets (cont'd.)

(b) ECL measurement

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and assessment of significant increase in credit risk. These estimates are driven by a number of factors, which can result in different levels of allowances.

There are three main components to measure ECLs which are a Probability of Default model ("PD"), a Loss Given Default model ("LGD") and the Exposure at Default model ("EAD").

MFRS 9 does not distinguish between individual assessment and collective assessment. Accordingly, the Group and the Company have decided to measure the impairment on an individual basis.

All loans, advances and financing are assessed individually. The Group and the Company's ECLs calculations are outputs of impairment models with a number of underlying assumptions regarding the choice of variable inputs and their inter-dependencies. Elements of the ECLs models that are considered accounting judgements and estimates include:

- Criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECLs basis;

- Development of ECL models, including the various formulas and the choice of inputs;

- Determination of associations between macroeconomic scenarios and economic inputs and the effect on PD, LGD and EAD; and

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

The impairment loss on financial assets is disclosed in more detail in Note 6 and Note 7.

2. Significant accounting policies (cont'd.)

2.23 Significant accounting judgments and estimates (cont'd.)

(iv) Fair value measurement of the newly acquired joint ventures and other non-financial assets

The highest and best use establishes the valuation premise used to measure the fair value of the assets at the date of acquisition. The Group and the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In the absence of quoted prices in active markets, the fair value of these assets is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include consideration of inputs such as forecast cash flows, growth rates, cost of capital and operating margins. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

The Group and the Company engaged an external third party valuation expert to conduct the valuation on acquired business carrying real estate assets since there were limited available observable inputs, therefore requiring a higher degree of professional judgement. Increased judgement is required in considering the impact of geographic location on inputs such as operating cash flows.

The fair value measurement of the joint ventures and other non-financial assets are disclosed in more detail in Note 33.

3. Cash and cash equivalents

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Cash and balances with banks and other financial institutions	1,874	4,551	157	144
Deposit placements with licensed financial institutions maturing within three months	54,114	9,230	53,701	730
	55,988	13,781	53,858	874
Weighted average effective interest rate (%)	3.30%	3.52%	3.30%	3.20%
Weighted average maturity period (days)	12	19	12	1

4. Financial assets at fair value through profit or loss

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
In Malaysia				
Unit trust fund	20,958	-	20,958	-

5. Financial assets at fair value through other comprehensive income

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
In Malaysia				
Quoted shares	251	470	251	470
Unquoted investment	13,789	13,350	13,789	13,350
Outside Malaysia				
Quoted share	-	183	-	183
Unquoted investment	6,383	7,350	6,383	7,350
	20,423	21,353	20,423	21,353

6. Trade and other receivables

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
Trade receivables	6.1	182	2,019	-	-
Loans to subsidiaries	6.2	-	-	3,428	62,040
Amounts due from subsidiaries	6.3	-	-	20,027	600
Other receivables	6.4	25,479	3,196	453	841
Prepayments		234	268	62	92
Less: Allowance for expected credit losses		(43)	-	-	-
		25,852	5,483	23,970	63,573

6.1 Trade receivables are unsecured, interest free and are on 30 days terms. Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors.

6.2 Loans to subsidiaries are unsecured, subject to an average interest rate of 6.07% (2018: 5.21%) per annum and repayable on demand.

6.3 Included in amounts due from subsidiaries is an amount owing from ECML Hotels Sdn. Bhd. of RM20,022,000 (2018: nil) for payments made on behalf in lieu of renovation costs and RM5,000 (2018: nil) owing from Ormond Group Sdn. Bhd. for payments made on behalf in lieu of incorporation expenses.

The amounts due from subsidiaries are unsecured, interest free and repayable on demand.

6.4 Included in the other receivables is an amount due from OMT Hotels Sdn. Bhd. ("OMT") (formerly known as Tune Hotels Sdn. Bhd.) of RM23,015,000 (2018: nil) for renovation works on the Chow Kit, an Ormond Hotel and Momo's Kuala Lumpur as disclosed in Note 32(b). In the event the conditional sale and purchase agreement is terminated, OMT shall reimburse the renovation costs paid up to the date of termination within 3 business days after receiving a notice of demand, failing which OMT shall pay interest on the renovation costs then outstanding at the rate of 8% per annum calculated on a daily basis from the first day immediately after the expiry of the said period until the date the renovation costs are fully paid.

7. Loans, advances and financing

	Note	Group 2019 RM'000	Group 2018 RM'000
Term loans, representing gross loans, advances and financing		5,738	57,903
Less: Allowance for expected credit losses	7.5	-	-
Net loans, advances and financing		5,738	57,903

Analysis of gross loans, advances and financing

7.1 By economic purpose

	2019 RM'000	2018 RM'000
Investments	5,738	17,903
Others	-	40,000
Gross loans, advances and financing	5,738	57,903

7.2 By interest rate sensitivity

	2019 RM'000	2018 RM'000
Fixed rate, representing gross loans, advances and financing	5,738	57,903

7.3 By type of customer

	2019 RM'000	2018 RM'000
Domestic business enterprise	5,738	17,903
Individual	-	40,000
Gross loans, advances and financing	5,738	57,903

7.4 By residual contractual maturity

	2019 RM'000	2018 RM'000
Within one year, representing gross loans, advances and financing	5,738	57,903

7.5 Allowance for expected credit losses/impairment

There is no movement in the allowance for expected credit losses during the year ended 31 December 2019 (2018: no movement). The Group has not recognised any loss allowance as the loans, advances and financing are supported by collateral such as equity instruments and other credit enhancement.

8. Investment in subsidiaries

	Note	Company 2019 RM'000	2018 RM'000
Unquoted shares at cost			
At beginning of the financial year		15,669	13,171
Increase in investment in a subsidiary*		7,500	2,500
Disposal of a subsidiary	22(c)	(12,240)	-
Liquidation of a subsidiary		-	(2)
At end of the financial year		10,929	15,669

* For the financial year ended 31 December 2019, partial of loan principal amount of RM7,500,000 owing to the Company was converted into investment of 7,500,000 new ordinary shares of RM1 each in ECML Hotels Sdn. Bhd. on 1 August 2019.

In the previous financial year ended 31 December 2018, cash payment of RM2,500,000 was made by the Company for issued of 2,500,000 new ordinary shares of RM1 each in ECML Hotels Sdn. Bhd. on 4 September 2018.

Details of the subsidiaries, all incorporated in Malaysia, are as follows:

Name of Company	Effective Percentage of Ownership 2019 %	2018 %	Principal Activities
ECM Libra Partners Sdn. Bhd.	100	100	Provision of credit services
ECML Hotels Sdn. Bhd.	100	100	Business of operating hotels
Libra Invest Berhad	-	100	Disposed of during the year (Note 22(a))
Ormond Group Sdn. Bhd.	100	100	Dormant

9. Investment in joint ventures

	Note	Group 2019 RM'000	Group 2018 RM'000	Company 2019 RM'000	Company 2018 RM'000
At cost					
Unquoted shares in Malaysia		30,809	30,088	30,088	30,088
Unquoted shares outside Malaysia		35,630	35,630	35,630	35,630
Cost of investment		66,439	65,718	65,718	65,718
Gain on bargain purchase	17	-	721	-	-
Carrying amount of investment		66,439	66,439	65,718	65,718
Share of post-acquisition reserves		333	1,545	-	-
Exchange differences		(1,010)	(447)	(1,059)	(471)
		65,762	67,537	64,659	65,247

Details of the joint ventures are as follows:

Name of Company	Principal place of business	Effective Percentage of Ownership 2019 %	Effective Percentage of Ownership 2018 %	Principal Activities
OHG Services Sdn. Bhd. (formerly known as TP Sepang Sdn. Bhd.)	Malaysia	50	50	Construct, manage and operate a hotel
Ormond Lifestyle Services Sdn. Bhd. (formerly known as Yummy Kitchen Sdn. Bhd.)	Malaysia	50	50	Operate restaurant, food caterer and food specialist businesses
TP International Pty Ltd ATF TP Hotel (Flinders) Trust	Australia	50	50	Trustee for TP Hotel (Flinders) Trust
TP Hotel (Flinders) Trust	Australia	40.005	40.005	Property investments holding
Ormond Group Pte. Ltd. ^	Singapore	50	-	Provision of hospitality businesses

^ On 28 March 2019, the Company formed a joint venture company, Ormond Group Pte. Ltd. in Singapore with an issued share capital of SGD100 comprising 100 ordinary shares.

9. Investment in joint ventures (cont'd.)

Name of Company	Principal place of business	Effective Percentage of Ownership 2019 %	2018 %	Principal Activities
Tune Plato Ventures Sdn. Bhd.	Malaysia	50	50	Investment holding
Held through Tune Plato Ventures Sdn. Bhd. and/or its subsidiaries:				
- LSA Ventures Sdn. Bhd. (formerly known as Tune Plato Subhome Sdn. Bhd.)	Malaysia	50	50	Investment holding
- Prompt Business Sdn. Bhd.	Malaysia	30	30	Investment holding
- Asiana Ventures Sdn. Bhd.	Malaysia	25.5	25.5	Investment holding
- Subhome Management Sdn. Bhd. *	Malaysia	25	25	Property management services
- Firma Atasan Sdn. Bhd. *	Malaysia	15	15	Property developer

* Not audited by member firms of Ernst & Young.

The Group's interest in the joint ventures is accounted for using the equity method in the consolidated financial statements. All entities prepared their financial statements in accordance with International Financial Reporting Standards and Malaysian Financial Reporting Standards. The financial statements of the joint ventures are prepare as of the same reporting date of the Company except for Subhome Management Sdn Bhd where the latest available financial statement was prepared up to 30 April 2019. The functional currency of TP International Pty Ltd and TP Hotel (Flinders) Trust is Australian Dollars, whereas for Ormond Group Pte. Ltd. is Singapore Dollars. The functional currency of all other entities is Ringgit Malaysia.

9. Investment in joint ventures (cont'd.)

The following table summarises the information of the Group's joint ventures, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in joint ventures:

2019 Group	Ormond Group Pte. Ltd. RM'000	OHG Services Sdn. Bhd. RM'000	Ormond Lifestyle Services Sdn. Bhd. RM'000	TP International Pty Ltd RM'000	TP Hotel (Flinders) Trust RM'000	Tune Plato Ventures Sdn. Bhd. Group RM'000	Total RM'000
Summarised statement of financial position							
Non-current assets	-	62,006	519	-	65,413	17,295	145,233
Current assets	-	11,521	3,894	246	7,934	1,711	25,306
Non-current liabilities	-	(27,684)	(124)	-	(76,273)	-	(104,081)
Current liabilities	(24)	(10,227)	(831)	(636)	(3,793)	(271)	(15,782)
Non-controlling interests	-	-	-	-	-	(8,728)	(8,728)
Equity	(24)	35,616	3,458	(390)	(6,719)	10,007	41,948
Group's share in equity (%)	50%	50%	50%	50%	40.005%	50%	
Group's share in equity	(12)	17,808	1,729	(195)	(2,688)	5,004	21,646
Advances owing by joint venture company	-	-	-	-	30,513	-	30,513
Carrying amount of fair valuation on net assets (a)	-	8,544	-	-	1,538	-	10,082
Goodwill	-	-	-	100	3,421	-	3,521
Carrying amount in the statement of financial position	(12)	26,352	1,729	(95)	32,784	5,004	65,762

9. Investment in joint ventures (cont'd.)

2018 Group	OHG Services Sdn. Bhd. RM'000	Ormond Lifestyle Services Sdn. Bhd. RM'000	TP International Pty Ltd RM'000	TP Hotel (Flinders) Trust RM'000	Tune Plato Ventures Sdn. Bhd. Group RM'000	Total RM'000
Summarised statement of financial position						
Non-current assets	57,031	266	-	59,542	18,552	135,391
Current assets	9,266	2,721	23	15,383	2,215	29,608
Non-current liabilities	(20,984)	(4)	-	-	-	(20,988)
Current liabilities	(11,857)	(723)	(298)	(77,915)	(7,214)	(98,007)
Non-controlling interests	-	-	-	-	(2,150)	(2,150)
Equity	33,456	2,260	(275)	(2,990)	11,403	43,854
Group's share in equity (%)	50%	50%	50%	40.005%	50%	
Group's share in equity	16,728	1,130	(138)	(1,196)	5,702	22,226
Advances owing by joint venture company	-	-	-	31,101	-	31,101
Carrying amount of fair valuation on net assets (a)	9,151	-	-	1,538	-	10,689
Goodwill	-	-	100	3,421	-	3,521
Carrying amount in the statement of financial position	25,879	1,130	(38)	34,864	5,702	67,537

(a) Included in the carrying amount of fair valuation on net assets is the fair value of an identified intangible asset, which is prepaid lease of RM8,544,000 (2018: RM9,151,000) and freehold land of RM1,538,000 (2018: RM1,538,000). The prepaid lease is related to a concession agreement and is amortised on a straight-line basis over the remaining concession period, commencing from the date of acquisition on 16 May 2018 to 31 January 2034. The amortisation charge for the financial year ended 31 December 2019 is RM607,000 (2018: RM380,000). Freehold land is not depreciated.

9. Investment in joint ventures (cont'd.)

2019 Group	Ormond Group Pte. Ltd. RM'000	OHG Services Sdn. Bhd. RM'000	Ormond Lifestyle Services Sdn. Bhd. RM'000	TP International Pty Ltd RM'000	TP Hotel (Flinders) Trust RM'000	Tune Plato Ventures Sdn. Bhd. Group RM'000	Total RM'000
Included in the equity are:							
Cash and cash equivalents	-	7,235	2,130	242	5,135	1,642	16,384
Current financial liabilities (excluding trade and other payables and provisions)	-	(3,952)	(98)	-	-	-	(4,050)
Non-current financial liabilities (excluding trade and other payables and provisions)	-	(27,684)	(124)	-	-	-	(27,808)
Summarised statement of comprehensive income							
Profit/(loss), representing total comprehensive income/(loss) for the year	(24)	2,158	1,197	(120)	(3,786)	(1,396)	(1,971)
Included in the total comprehensive income/(loss) are:							
Revenue	-	37,820	7,788	-	-	-	45,608
Depreciation and amortisation	-	(4,998)	(229)	-	(1)	(66)	(5,294)
Interest income	-	74	23	-	124	49	270
Interest expense	-	(2,522)	-	-	-	-	(2,522)
Income tax expense	-	(1,126)	(341)	-	-	(41)	(1,508)
Share of loss of joint ventures	-	-	-	-	-	(793)	-
Group's share of results for year ended 31 December							
Group's share of profit or loss	(12)	473	599	(60)	(1,514)	(698)	(1,212)
Capital commitment							
Share of capital commitment of joint venture	-	-	-	-	-	405	405