

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Current Year Quarter 31.12.2009 RM'000	Preceding Year Quarter 31.12.2008 RM'000	Current Year To Date 31.12.2009 RM'000	Preceding Year To Date 31.12.2008 RM'000
Continuing operations					
Revenue		127,560	123,463	471,099	475,462
Other operating income		8,608	153,233	27,190	207,636
Other operating expenses		(169,276)	(130,928)	(470,464)	(444,021)
(Loss)/profit from operations		(33,108)	145,768	27,825	239,077
Finance costs		(7,851)	(10,131)	(34,854)	(42,408)
Share of results of associates		(5,628)	17,866	190	34,394
(Loss)/profit before taxation		(46,587)	153,503	(6,839)	231,063
Taxation	B(5)	(2,568)	18,096	(15,278)	6,527
(Loss)/profit for the financial period/year from continuing operations		(49,155)	171,599	(22,117)	237,590
Discontinued operations					
Profit for the financial period/year from discontinued operations	A(13)	-	1,057	-	35,423
(Loss)/gain on disposal of discontinued operations		-	(1,082)	-	142,523
(Loss)/profit for the financial period/year		(49,155)	171,574	(22,117)	415,536
Attributable to:					
Shareholders of the Company					
- from continuing operations		(48,753)	171,628	(22,290)	217,204
- from discontinued operations		-	(24)	-	152,499
		(48,753)	171,604	(22,290)	369,703
Minority interests		(402)	(30)	173	45,833
		(49,155)	171,574	(22,117)	415,536
Basic (loss)/earnings per share (sen)					
- from continuing operations		(4.41)	15.52	(2.02)	19.64
- from discontinued operations		-	-	-	13.79
		(4.41)	15.52	(2.02)	33.43
Fully diluted (loss)/earnings per share (sen)					
- from continuing operations		(4.49)	15.52	(2.24)	18.57
- from discontinued operations		-	-	-	13.79
		(4.49)	15.52	(2.24)	32.36

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)



UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2009

	(Unaudited) As at end of current quarter 31.12.2009 RM'000	(Audited) As at preceding financial year end 31.12.2008 RM'000 (Restated)
NON-CURRENT ASSETS		
Property, Plant and Equipment		
- Hotel Properties	1,309,444	1,336,596
- Others	160,419	191,514
Development Properties	572,836	572,688
Investment Properties	370,506	313,197
Prepaid Lease Payments For Land	631	666
Investment in Associates	69,123	84,430
Other Investments	27,080	20,123
Deferred Tax Assets	13,887	8,122
Goodwill on Consolidation	5,470	5,470
	<u>2,529,396</u>	<u>2,532,806</u>
CURRENT ASSETS		
Inventories	24,120	29,775
Land Held for Sale	206,161	206,161
Trade Receivables	106,499	78,063
Other Receivables	3,394	6,636
Tax Recoverable	4,395	9,904
Due from Associates	-	5,069
Cash and Bank Balances	202,235	163,182
	<u>546,804</u>	<u>498,790</u>
TOTAL ASSETS	<u>3,076,200</u>	<u>3,031,596</u>
EQUITY		
Share Capital	1,106,032	1,106,032
Reserves	670,169	701,062
Equity Attributable to the Shareholders of the Company	1,776,201	1,807,094
Minority Interests	(17,486)	(17,570)
TOTAL EQUITY	<u>1,758,715</u>	<u>1,789,524</u>
NON-CURRENT LIABILITIES		
Due to Associates	4,006	4,006
Deferred Tax Liabilities	148,692	139,548
Long Term Borrowings	750,183	584,601
	<u>902,881</u>	<u>728,155</u>
CURRENT LIABILITIES		
Trade Payables	121,194	67,710
Other Payables	108,953	96,622
Short Term Borrowings	171,011	336,236
Current Tax Liabilities	13,446	13,349
	<u>414,604</u>	<u>513,917</u>
TOTAL LIABILITIES	<u>1,317,485</u>	<u>1,242,072</u>
TOTAL EQUITY AND LIABILITIES	<u>3,076,200</u>	<u>3,031,596</u>
Net Assets Per Share* (RM)	<u>1.61</u>	<u>1.63</u>

*Net assets per share = Equity attributable to the shareholders of the Company/Total number of ordinary shares

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2009

	Attributable to the Shareholders of the Company						Minority Interests	Total Equity
	Share Capital	Other Reserves	Retained Profit/ (Accumulated Losses)	Sub-total	Reserves relating to disposal group	Sub-total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 01.01.2009	1,106,032	502,206	198,856	1,807,094	-	1,807,094	(17,570)	1,789,524
Impairment on property, plant and equipment - hotel properties net of deferred tax	-	(339)	-	(339)	-	(339)	(16)	(355)
Exchange differences on translation	-	31	-	31	-	31	-	31
Net income / (expense) recognised directly in equity	-	(308)	-	(308)	-	(308)	(16)	(324)
Loss for the financial year	-	-	(22,290)	(22,290)	-	(22,290)	173	(22,117)
Total recognised income/(expense) for the year	-	(308)	(22,290)	(22,598)	-	(22,598)	157	(22,441)
Dividend paid	-	-	(8,295)	(8,295)	-	(8,295)	(50)	(8,345)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(23)	(23)
Balance at 31.12.2009	1,106,032	501,898	168,271	1,776,201	-	1,776,201	(17,486)	1,758,715
Balance at 01.01.2008	1,106,022	500,574	(328,410)	1,278,186	164,313	1,442,499	1,252,607	2,695,106
Share of reserve in associate	-	42	-	42	-	42	-	42
Disposal of subsidiaries	-	-	-	-	(3,505)	(3,505)	(821,602)	(825,107)
Transfer from deferred tax	-	979	-	979	-	979	137	1,116
Exchange differences on translation	-	620	-	620	(3,245)	(2,625)	454	(2,171)
Net income / (expense) recognised directly in equity	-	1,641	-	1,641	(6,750)	(5,109)	(821,011)	(826,120)
Profit for the financial year	-	-	217,204	217,204	152,499	369,703	45,833	415,536
Total recognised income/(expense) for the year	-	1,641	217,204	218,845	145,749	364,594	(775,178)	(410,584)
Acquisition of subsidiaries	-	-	-	-	-	-	(6,506)	(6,506)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(505,667)	(505,667)
Conversion of associate into subsidiary	-	-	-	-	-	-	17,181	17,181
Conversion of ICULS	10	(9)	-	1	-	1	-	1
Dividends paid to minority interests	-	-	-	-	-	-	(7)	(7)
Transfer from / (to) disposal group	-	-	310,062	310,062	(310,062)	-	-	-
Balance at 31.12.2008	1,106,032	502,206	198,856	1,807,094	-	1,807,094	(17,570)	1,789,524

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Current Year To Date 31.12.2009 RM'000	Preceding Year To Date 31.12.2008 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation		
Continuing operations	(6,839)	231,063
Discontinued operations	-	52,766
	<u>(6,839)</u>	<u>283,829</u>
Adjustments for:		
Non-cash items	80,949	(44,966)
Non-operating items	25,732	(22,006)
Operating profit before working capital changes	<u>99,842</u>	<u>216,857</u>
Net change in current assets	(15,079)	(30,585)
Net change in current liabilities	58,466	(289,297)
Interest and taxes paid	(42,188)	(72,126)
Net cash generated from/(used in) operating activities	<u>101,041</u>	<u>(175,151)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Equity investments (net of proceeds from disposal of other investments)	2,669	(444,901)
Proceeds from disposal of subsidiaries	-	693,028
Other investments/assets	(56,682)	(41,787)
Net cash (used in)/from investing activities	<u>(54,013)</u>	<u>206,340</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	1,632	(125,714)
Dividend paid to shareholders of the Company	(8,295)	-
Dividend paid to minority shareholders	(51)	-
Other financing activities	302	(82,704)
Net cash used in financing activities	<u>(6,412)</u>	<u>(208,418)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	40,616	(177,229)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	158,985	336,154
EXCHANGE EQUALISATION	14	60
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>199,615</u>	<u>158,985</u>
For purpose of cash flow statements, cash and cash equivalents comprised the following:		
Deposits with licensed banks	116,286	122,397
Cash in hand and at bank	85,949	40,785
Bank overdrafts	(251)	(1,526)
Pledged deposits	(2,369)	(2,671)
	<u>199,615</u>	<u>158,985</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

(A) NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008.

2. Adoption of Revised Financial Reporting Standards

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2008 except for the non-adoption of the following new/revised Financial Reporting Standards ("FRSs") and new Interpretations ("IC") that are not yet effective:

FRS, Amendments to FRS & IC Interpretations		Effective Date
FRS 8	Operating Segments	1 July 2009
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 2	Share-based Payment : Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programme	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
FRS 101	Presentation of Financial Statements	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Cash Flow Statements	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events After the Reporting Period	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 127	Consolidated and Separate Financial Statements	1 January 2010

FRS, Amendments to FRS & IC Interpretations		Effective Date
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interests in Joint Ventures	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combination	1 July 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendment to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12	Service Cession Arrangements	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010

The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139. With the exception of FRS 139, the adoption of the other FRSs and IC Interpretations are not expected to have any material impact on the financial statements of the Group.

The Group has opted for an early adoption of FRS 4 in respect of Financial Guarantee Contracts which has no material impact on the financial statements of the Group.

The Group has opted for an early adoption of Amendments to FRS 117 in respect of leases which resulted in retrospective restatement of Prepaid Lease Payments for Land to Property, Plant and Equipment and the reclassification of amortisation of Prepaid Lease Payments for Land to depreciation and amortisation in the income statement. The early adoption has no material impact on the financial statements of the Group.

For amendments to FRS 8, it sets out requirements for the disclosure of information about an entity's operating segments and also about the entity's products and services and the geographical areas in which it operates. As the Group has determined that the business segments identified previously are the same as that under FRS 8, it is expected that there will only be changes to the presentation of the Group's quarterly business segment.

3. Comparatives

The following comparatives have been restated due to the adoption of revised FRSs as disclosed in Note 2 of Part A above which have retrospective impact on the preceding year financial statements:

	Preceding year ended 31.12.2008		
	As previously stated RM'000	Reclassifi- cation RM'000	As restated RM'000
Condensed consolidated balance sheets			
Property, Plant and Equipment			
- Hotel Properties	1,221,191	115,405	1,336,596
- Other	189,475	2,039	191,514
Prepaid Lease Payments For Land	118,110	(117,444)	666
Condensed consolidated income statements			
<u>Continuing operations</u>			
Depreciation on property, plant and equipment			
- Hotel Properties	14,805	947	15,752
- Other	14,266	24	14,290
Amortisation of prepaid lease payments for land	1,007	(971)	36
<u>Discontinued operations</u>			
Impairment loss on property, plant and equipment - others	11,977	6,844	18,821
Impairment loss on prepaid lease payments for land	6,844	(6,844)	-

4. Seasonal or Cyclical Factors

The Group's hotel operations are subject to the seasonal fluctuation in occupancy rates of certain resorts and hotels. The Group's other operations are generally not affected by any major seasonal or cyclical factors.

5. Unusual Significant Items

The following items occurred during the current quarter and financial year to date as reflected in the financial statements:

	Current Year Quarter RM'000	Current Year To-date RM'000
Impairment on property, plant and equipment - hotel properties	(16,496)	(16,496)
Impairment on property, plant and equipment - others	(23,741)	(23,741)
Fair value gain on investment properties	9,948	9,948
Provision for foreseeable loss arising from probable crystallisation of a contingent liability	(24,396)	(24,396)

6. Changes in Estimates

There were no changes on estimates that have had material effect in the current quarter's results.

7. Changes in Debt and Equity Securities

There have been no issuances, repurchases, resale and repayments of debt and equity securities during the current financial quarter under review.

8. Dividend Paid

There was no dividend paid during the current quarter.

9. Segmental Reporting

Segment analysis for the financial year ended 31 December 2009 is set out below:

	Hotel RM'000	Properties RM'000	Manufacturing & trading RM'000	Financial services RM'000	Others RM'000	Total RM'000
Revenue						
Total revenue	309,815	28,769	88,002	32,579	15,681	474,846
Inter-segment elimination	-	(1,213)	(241)	(1,121)	(1,172)	(3,747)
External revenue	<u>309,815</u>	<u>27,556</u>	<u>87,761</u>	<u>31,458</u>	<u>14,509</u>	<u>471,099</u>
Results						
Segment results	18,851	21,331	(1,983)	19,429	(25,408)	32,220
Unallocated income						9,726
Unallocated expenses						(14,121)
Profit from operations						<u>27,825</u>

10. Valuation of Investment Properties, Development Properties and Property, Plant and Equipment

The valuation of hotel properties held by the Group as at the end of the current quarter has been brought forward, without amendment from the previous financial year end other than the write down of Mutiara Penang by RM16.5 million due to impairment loss. The fair value of the investment properties have been assessed by independent professional valuer. The assessment has resulted in a fair value gain of RM9.9 million to the Group.

11. Material Subsequent Events

On 18 January 2010, Creative Franchise Concepts Sdn Bhd ("CFC"), a wholly owned subsidiary of the Company completed its acquisition of 100% of SMTC Highway Mart Sdn Bhd ("SMTC") comprising of 100,000 ordinary shares of RM1.00 each representing 100% of the issued and paid up share capital of SMTC for a cash consideration of RM100,000. Included in the company were liabilities amounting to RM7,176,125 as at 31 July 2009 to be assumed by CFC for RM1,900,000.

The summary effects on acquisition of the subsidiary determined provisionally are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Properties, plant and equipment	424	424
Trade and other receivables	166	166
Inventories	567	567
Cash and bank balances	106	106
Trade and other payables	(2,375)	(7,651)
	<u>(1,112)</u>	<u>(6,388)</u>
Goodwill on consolidation	1,212	
Purchase consideration	<u>100</u>	
The cash outflow on acquisition is as follows:		
Purchase consideration	100	
Less:		
Deposit paid	(10)	
Cash and cash equivalents in subsidiary acquired	(106)	
	<u>(16)</u>	

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year except for the following:

- (a) On 24 July 2009, the members' voluntary winding up of L.S. Garments (Sales) ("LSG") Sdn Bhd, a 77% owned dormant subsidiary of the Group had been dissolved. The liquidation of LSG is pursuant to the reorganisation and streamlining of the Groups structure.
- (b) On 4 September 2009, Tradewinds Travel & Tours Sdn Bhd ("TTT"), an indirect wholly owned subsidiary has been transferred to TCB Mining Sdn Bhd, a wholly owned subsidiary of TCB comprising of 2,500,000 ordinary shares of RM1.00 each, 1,000,000 Irredeemable Convertible Preference Shares ("ICPS") and 7,320,000 Redeemable Convertible Preference Shares of RM0.01 each for a cash consideration of RM1.00.
- (c) Proposed joint venture with United Malayan Land Berhad ("UML") by Tradewinds Johor Sdn Bhd ("TJSB"), an indirect wholly owned subsidiary of the Company, on Extreme Consolidated Sdn Bhd ("ECSB") of which 51% owned by UML and 49% owned by TJSB. ("Proposed JV")

On 21 October 2009, the Proposed JV was completed upon the subscription of:

- (i) 49 new ordinary shares of RM1.00 each in ECSB by TJSB for cash consideration of RM49; and
- (ii) 49 new ordinary shares of RM1.00 each in ECSB by UML for cash consideration of RM49; and

The shareholding proportion of TJSB and UML in ECSB is now 49:51.

- (d) On 23 December 2009, Prestige Frontier Sdn Bhd ("PFSB"), an indirect wholly owned subsidiary of the Company has been transferred to Tradewinds Hotels & Resorts Sdn Bhd, a 96% equity interest of the Company comprising of 300,000 ordinary shares of RM1.00 each, for a cash consideration of RM1.00; and
- (e) On 23 December 2009, the Company had purchased Symbolic Supreme Sdn Bhd ("SSSB"), as its new wholly owned subsidiary at a purchase price of RM2. The issued and paid up capital of SSSB is RM2 comprising of two ordinary shares of RM1.00 each.
SSSB is a dormant company.

The above changes do not have any material impact on the Group's operations and results.

13. Discontinued operations

In 2008, the Group completed the following:

- (i) non-renounceable offer for sale of its 53.02% equity interest in Tradewinds (M) Berhad ("TWM") to the shareholders of the Company on a rights basis ("Offer For Sale");
- (ii) disposal of Solar Green Sdn. Bhd. ("SGSB"); and
- (iii) disposal of T.P.C. Development Ltd ("TPC").

As such, in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations, TWM, SGSB and TPC were classified as Disposal Groups.

The revenue and results of the Disposal Group were as follows:

	Preceding Year Quarter 31.12.2008 RM'000	Preceding Year To Date 31.12.2008 RM'000
Revenue	2,409	303,741
Other operating income	-	5,591
Other operating expenses	(1,209)	(241,211)
Impairment on goodwill	-	(7,300)
Profit from operations	1,200	60,821
Finance costs	(143)	(8,055)
Profit before taxation	1,057	52,766
Taxation	-	(17,343)
Net gain on disposal of subsidiaries	1,057	35,423
	(1,082)	142,523
(Loss)/profit for the period/year	(25)	177,946

The cash flows attributable to the discontinued operations were as follows:

	Preceding Year To Date 31.12.2008 RM'000
Operating cash flows	28,977
Investing cash flows	(35,348)
Financing cash flows	(24,130)
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	(30,501)
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14. Changes in Contingent Liabilities or Contingent Assets

The Group has pledged certain portion of its land held for sale to security trustees for certain private debt securities of RM173.0 million (31.12.08: RM173.0 million) issued by its joint venture partners, Hartaplus Realty Sdn Bhd and Oxbridge Height Sdn Bhd pursuant to the terms of the joint venture arrangements. As at 31 December 2009, a provision for foreseeable loss of RM24.396mil has been provided due to probable crystallisation of the contingent liability attributable to Oxbridge Height Sdn Bhd.

Other than the above, there were no other contingent liabilities or assets of the Group since 31 December 2008.

15. Capital Commitments

	As at 31.12.2009 RM'000
Authorised capital expenditure	
- Hotel Properties	207,085
- Property, plant and equipment	8,316
- Development Properties	10,211
- Investment Properties	1,312
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Total	226,924
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**(B) ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES
(PARAGRAPH 9.22 AND APPENDIX 9B)**

1. Review of Performance

For the current quarter under review, the Group recorded revenue and loss before tax of RM127.6 million and RM46.6 million respectively, compared to revenue of RM123.5 million and profit before tax of RM153.5 million recorded in the corresponding quarter last year. The improvement in revenue is mainly contributed by financial services division and the inclusion of new subsidiaries. Despite this improvement in revenue, the financial quarter reported a loss mainly due to the impairment on hotel properties and provision for foreseeable losses. The better performance in the preceding year quarter was due to the one off gain on negative goodwill of RM151.2 million and waiver of debts of RM27.2 million at the time.

For the financial year ended 31 December 2009, the Group recorded revenue and loss before tax of RM471.1 million and RM6.8 million respectively. This compared to revenue of RM475.5 million and profit before tax of RM231.1 million recorded in the previous corresponding year. The decline in profit before tax to loss before tax was mainly due to lower revenue generated by the Hotel division, impairment on hotel properties, provision for foreseeable losses and lower contribution from associates. In contrast the previous corresponding year recorded exceptional gains arising from negative goodwill and waiver of debt which were absent in 2009.

2. Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared to the Immediate Preceding Quarter

	Quarter Reported On RM'000	Immediate Preceding Quarter RM'000	(Decrease)/ Increase RM'000
(Loss)/profit before taxation	<u>(46,587)</u>	<u>19,861</u>	<u>(66,448)</u>

Group loss before taxation for the current quarter at RM46.6 million compared to a profit of RM19.9 million was due to impairment of hotel properties and provision for foreseeable losses.

3. Prospects

The financial performance of the Hotel Division in 2010 is expected to be better than 2009 with signs of improvement in leisure and corporate travel markets. The investment properties are expected to maintain their current performance in the near term in view of its long term tenancies. Concept and design plans of certain property development projects under the property development division are nearing completion although timing for execution continue to be uncertain in light of prevailing market conditions. Hence, no contribution from property development activities is expected in the financial year 2010. In view of the above, the Directors expect the results from the Group operating units for the year of 2010 would show an improvement.

4. Variance on Profit / Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document during the current financial year.

5. Taxation

	Current Year Quarter RM'000	Current Year To-date RM'000
Current year charge	2,745	15,523
Deferred taxation	(133)	(3,068)
	<u>2,612</u>	<u>12,455</u>
(Over)/under provision in prior financial years		
Income tax	(18)	1,406
Deferred tax	(26)	1,417
	<u>2,568</u>	<u>15,278</u>

The disproportionate tax charge for the current quarter is due to certain expenses and provision which are not deductible for tax purposes. The year-to-date effective tax rate is disproportionate compared to the statutory tax rate mainly due to certain expenses and provision not deductible for tax purposes.

6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

- (a) There was no sale of unquoted investments during the year.
- (a) There were no profits /(losses) on properties disposed during the year.

7. Quoted Securities other than Securities in Existing Subsidiaries and Associates

- (a) There was no purchase and disposal of quoted securities during the year.
- (b) Investment in quoted securities of the Group as at the reporting year end are as follows:

	RM'000
At cost	57,530
At carrying value	24,788
At market value	<u>24,788</u>

8. Corporate Proposals

Status of Corporate Proposals

The status of corporate proposals announced but not completed as at 16 February 2010 (being the latest practical date) are as follows:

- i. On 12 February 2009, Ambang Budi Sdn Bhd ("ABSB"), a wholly-owned subsidiary of Tradewinds Corporation Berhad ("TCB") has entered into a tripartite Sale and Purchase Agreement ("SPA") with Hartaplus Realty Sdn Bhd ("Hartaplus") and Extreme Consolidated Sdn Bhd ("ECSB"), a wholly-owned subsidiary of United Malayan Land Berhad ("UML") to dispose ABSB land ("the Land") presently registered under ABSB to ECSB ("Proposed Disposal") for RM233 million cash ("Disposal Price") whereupon a portion of the Disposal Price to be received by ABSB pursuant to the SPA shall be treated as amount received for the settlement of RM84.13 million due from Hartaplus ("Proposed Settlement"). The proposed settlement is expected to complete by the fourth quarter of 2010.
- ii. On 12 February 2009, TJSB has entered into a Call Option Agreement ("COA") with UML. The call option will grant UML an irrevocable option to purchase from TJSB its 49% equity interest in ECSB ("Option Shares") exercisable in the manner hereinafter provided at the total purchase price, which is calculated on the basis of the number of Option Shares multiplied by RM1 par value each ("Purchase Price"). The option is exercisable over a period of 2 years from the date of execution of the COA.

On 27 May 2009, the Foreign Investment Committee ("FIC") has approved (i) above.

9. Group Borrowings and Debt Securities

Group borrowings as at the end of the reporting year end are as follows:

<u>Short Term Borrowings</u>	RM'000
Secured:	
Revolving credits	11,000
Overdrafts	251
Trade bills	3,343
Term loans	2,690
	<u>17,284</u>
Unsecured:	
Revolving credits	112,751
Current portion of long term borrowings	40,913
Hire purchase and lease creditors	63
	<u>171,011</u>
<u>Long Term Borrowings</u>	
Secured:	
Term loans	693,138
Unsecured:	
Advances from minority shareholders of subsidiaries	
- Interest bearing	120
- Non-interest bearing	97,807
	<u>97,927</u>
Less: Repayment due within 12 Months	<u>(40,913)</u>
	750,152
Hire purchase and lease creditors	31
	<u>750,183</u>

The Group borrowings are all denominated in Ringgit Malaysia.

10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 31 December 2009 other than the call option entered into with UML on ECSB as disclosed in Note 8 (ii) Part B above.

11. Material Litigation

As at 16 February 2010, being a date not earlier than 7 days from the date of issue of this quarterly report, there were no changes in material litigation since the last annual balance sheet date.

12. Dividend

The Board of Directors does not recommend any dividend for the year ended 31 December 2009.

13. (Loss)/earnings Per Share

(a) Basic (loss)/earnings per share (sen)

The basic loss per share is calculated by dividing the loss for the period/year attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period/year.

	Current Year Quarter	Current Year To-date
Loss attributable to shareholders of the Company (RM'000)	(48,753)	(22,290)
Weighted average number of ordinary shares in issue ('000)	1,106,031	1,106,031
Basic loss per share (sen)	<u>(4.41)</u>	<u>(2.02)</u>

(b) Fully diluted (loss)/earnings per share

The fully diluted loss per share is calculated after taking into consideration of the subsidiaries' potential ordinary shares in issue that are convertible into ordinary shares of the subsidiaries and the Company's ICULS in issue. The subsidiaries' potential ordinary shares comprise Tradewinds Hotels & Resorts Sdn Bhd's ("THR") 371,641,345 ICULS and 153,447,612 RCULS in issue since 2004 and MCIS Safety Glass Sendirian Berhad's ("MCIS") 4,300,000 RCULS in issue. In determining whether potential ordinary shares are dilutive or anti-dilutive, each issue or series of potential ordinary shares is considered separately and in sequence from the most to the least dilutive.

The loss attributable to the shareholders of the Company and the weighted average number of ordinary shares in issue during the period/year to date in computing fully diluted loss per share is computed as follows :-

	Current Year Quarter	Current Year To-date
Loss attributable to shareholders of the Company (RM'000)		
- from continuing operations	(48,753)	(22,290)
MCIS's RCULS*	-	(71)
THR's ICULS*	<u>(952)</u>	<u>(2,451)</u>
Loss from continuing operation attributable to equity shareholders assuming conversions of THR ICULS and MCIS RCULS	<u>(49,705)</u>	<u>(24,812)</u>
	Current Year Quarter	Current Year To-date
Weighted average number of ordinary shares in issue ('000)	1,106,031	1,106,031
Diluted loss per share (sen)	<u>(4.49)</u>	<u>(2.24)</u>

* The conversion of THR's ICULS and MCIS's RCULS will not have any effect on the weighted average number of ordinary shares in issue by the Company.

14. Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2008 was unqualified.

BY ORDER OF THE BOARD

SAKINAH BT ABDUL KADIR (MAICSA 7000087)

Company Secretary

Kuala Lumpur

23 February 2010