

# Quarterly rpt on consolidated results for the financial period ended 30 Sep 2019

## GRAND CENTRAL ENTERPRISES BHD

Financial Year End	31 Dec 2019
Quarter	3 Qtr
Quarterly report for the financial period ended	30 Sep 2019
The figures	have not been audited

### Attachments

 [3rd quarter 2019 KLSE unaudited results.pdf](#)  
81.1 kB

Default Currency

Other Currency

Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 30 Sep 2019

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	6,761	6,496	16,711	16,954
2 Profit/(loss) before tax	-755	-834	-5,986	-4,732
3 Profit/(loss) for the period	-799	-856	-6,051	-4,940
4 Profit/(loss) attributable to ordinary equity holders of the parent	-773	-869	-5,983	-4,940
5 Basic earnings/(loss) per share (Subunit)	-0.39	-0.44	-3.04	-2.51
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	2.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.0900		1.1200	

#### Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

### Announcement Info

Company Name	GRAND CENTRAL ENTERPRISES BHD
Stock Name	GCE
Date Announced	11 Nov 2019

<b>Category</b>	Financial Results
<b>Reference Number</b>	FRA-11112019-00010

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

	INDIVIDUAL PERIOD		Changes %	CUMULATIVE PERIOD		Changes %
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Corresponding Quarter 30.09.2018 RM'000		Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000	
Revenue	6,761	6,496	4	16,711	16,954	(1)
Operating expenses	(8,106)	(8,011)		(24,424)	(23,596)	
Other operating income	590	683		1,730	1,914	
Finance cost	-	(2)		(3)	(4)	
Loss before taxation	(755)	(834)	(9)	(5,986)	(4,732)	27
Taxation	(44)	(22)		(65)	(208)	
Loss net of taxation	(799)	(856)	(7)	(6,051)	(4,940)	22
Other comprehensive profit	-	-		-	-	
Total comprehensive loss	(799)	(856)		(6,051)	(4,940)	
Loss attributable to:						
Equity holders of the Company	(773)	(869)	(11)	(5,983)	(4,940)	21
Non-controlling interests	(26)	13		(68)	-	
Loss for the period	(799)	(856)		(6,051)	(4,940)	
Loss per share (sen)	(0.39)	(0.44)		(3.04)	(2.51)	

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2019**

	<b>As At End Of Current Quarter 30.09.2019 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2018 RM'000</b>
<b>ASSETS</b>		
<b>Non-current asset</b>		
Property, plant and equipment	177,213	180,939
<b>Current assets</b>		
Inventories	527	364
Trade and other receivables	4,404	3,144
Cash and bank balances	53,914	58,588
	<u>58,845</u>	<u>62,096</u>
<b>TOTAL ASSETS</b>	<b><u>236,058</u></b>	<b><u>243,035</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	199,397	199,397
Retained earnings	14,788	20,771
	<u>214,185</u>	<u>220,168</u>
Non-controlling interests	1,669	1,737
<b>Total equity</b>	<u>215,854</u>	<u>221,905</u>
<b>Non-current liabilities</b>		
Hire purchase payable	48	48
Deferred tax liabilities	15,754	15,754
	<u>15,802</u>	<u>15,802</u>
<b>Current liabilities</b>		
Hire purchase payable	10	34
Trade & other payables	4,014	4,794
Tax payable	378	500
	<u>4,402</u>	<u>5,328</u>
<b>Total liabilities</b>	<u>20,204</u>	<u>21,130</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>236,058</u></b>	<b><u>243,035</u></b>
Net assets per share (RM)	1.09	1.12

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

	← Attributable to Owners of the Parent →			Non-controlling Interests	Total Equity
	Share Capital	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000
9-month quarter ended 30 September 2019					
<b>At 1 January 2019</b>	199,397	20,771	220,168	1,737	221,905
Loss for the period	-	(5,983)	(5,983)	(68)	(6,051)
<b>At 30 September 2019</b>	<b>199,397</b>	<b>14,788</b>	<b>214,185</b>	<b>1,669</b>	<b>215,854</b>
9-month quarter ended 30 September 2018					
<b>At 1 January 2018</b>	199,397	31,060	230,457	1,854	232,311
Loss for the period	-	(4,940)	(4,940)	-	(4,940)
Dividends	-	(3,940)	(3,940)	-	(3,940)
<b>At 30 September 2018</b>	<b>199,397</b>	<b>22,180</b>	<b>221,577</b>	<b>1,854</b>	<b>223,431</b>

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019**

	<b><u>2019</u></b> <b>9 Months</b> <b>Ended</b> <b>30.09.2019</b> <b>RM'000</b>	<b><u>2018</u></b> <b>9 Months</b> <b>Ended</b> <b>30.09.2018</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(5,986)	(4,732)
Adjustments for:-		
Depreciation	5,367	5,015
Gain on disposal of property, plant and equipment	-	(25)
Inventories written off	2	-
Interest expense	3	4
Interest income	(1,565)	(1,660)
Property, plant and equipment written off	3	2
Provision for doubtful debts	20	-
Provision for doubtful debts recovered	(9)	-
Operating loss before working capital changes	<u>(2,165)</u>	<u>(1,396)</u>
Net change in current receivables	(1,691)	73
Net change in current payables	<u>(780)</u>	<u>(362)</u>
Cash used in operating activities	(4,636)	(1,685)
Interest paid	(3)	(4)
Net income taxes paid	<u>(139)</u>	<u>(48)</u>
<b>Net cash used in operating activities</b>	<u>(4,778)</u>	<u>(1,737)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	1,771	1,987
Withdrawal of deposits with licensed banks	1,335	6,915
Proceeds from disposal of property, plant and equipment	-	25
Purchase of property, plant and equipment	<u>(1,644)</u>	<u>(750)</u>
<b>Net cash generated from investing activities</b>	<u>1,462</u>	<u>8,177</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase payable	(24)	(39)
Dividends paid to equity holders of the Company	-	(3,940)
<b>Net cash used in financing activities</b>	<u>(24)</u>	<u>(3,979)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(3,340)	2,461
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>8,926</u>	<u>6,936</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>5,586</u>	<u>9,397</u>

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2019 (CONT'D.)**

	<b>As at</b> <b>30.09.2019</b> <b>RM'000</b>	<b>As at</b> <b>30.09.2018</b> <b>RM'000</b>
<b>CASH AND BANK BALANCES</b>		
Cash on hand and at banks	3,624	4,304
Deposits with licensed banks	<u>50,290</u>	<u>54,227</u>
Cash and bank balances	<u>53,914</u>	<u>58,531</u>

For the purpose of the statements of cash flows of the Group, cash and cash equivalents comprise the following as at the reporting date:

Cash and bank balances	53,914	58,531
Less: Short-term deposits with licensed banks	<u>(48,328)</u>	<u>(49,134)</u>
Total cash and cash equivalents	<u>5,586</u>	<u>9,397</u>

Short-term deposits have maturity periods of more than 3 months but not more than one year. Included in short-term deposits with licensed banks are deposits of RM1,185,000 (2018: RM1,185,000) pledged as bank guarantees for credit facilities granted to the Group.

*The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1 BASIS OF PREPARATION**

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2018.

**2 CHANGES IN ACCOUNTING POLICIES**

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2018 except for the adoption of the new and amended MFRSs and IC Interpretations effective for annual financial periods beginning on or after 1 January 2019. The initial application of these new and amended MFRSs and IC Interpretations have no material impact on this interim financial reporting.

**3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2018 was not qualified.

**4 SEGMENTAL REPORTING**

The Board of Directors reviews the Group's internal reporting in order to assess performance and allocation of resources. The Group's principal activities are principally in the hotel business conducted within Malaysia.

	<b>Current Year To Date 30.09.2019 RM'000</b>	<b>Preceding Year Corresponding Period 30.09.2018 RM'000</b>
Revenue from external customers	16,711	16,954
Reportable segment loss	(2,349)	(1,631)
Reportable segment assets	236,043	244,231
Reportable segment liabilities	4,014	4,072
Reportable segment loss is reconciled as follows:		
Total loss for reportable segment	(2,349)	(1,631)
Interest income	1,565	1,660
Other income	165	254
Depreciation	(5,367)	(5,015)
Loss before taxation	(5,986)	(4,732)



**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**4 SEGMENTAL REPORTING (Cont'd.)**

	<b>Current Year To Date 30.09.2019 RM'000</b>	<b>Preceding Year Corresponding Period 30.09.2018 RM'000</b>
Reportable segment assets are reconciled as follows:		
Total assets for reportable segment	236,043	244,231
Tax recoverable	15	129
Total assets	<u>236,058</u>	<u>244,360</u>
Reportable segment liabilities are reconciled as follows:		
Total liabilities for reportable segment	4,014	4,072
Tax payable	378	104
Deferred tax liabilities	15,754	16,656
Hire purchase payable	58	97
Total liabilities	<u>20,204</u>	<u>20,929</u>

The Group has no significant concentration of revenue generated from a single external customer during the financial year.

**5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

**6 CHANGES IN ESTIMATES**

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

**7 SEASONAL OR CYCLICAL FACTORS**

The operations of the Group are not subject to seasonality/cyclicality of operations.

**8 DIVIDENDS PAID**

There were no dividends paid during the current quarter.

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**9 CARRYING AMOUNT OF REVALUED ASSETS**

There was no valuation of property, plant and equipment for the period under review.

**10 DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**11 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial period to date except for the following dormant subsidiary company which has commenced member's voluntary winding up on 4 December 2015:

- Hotel Grand Olympic (M) Sdn. Bhd.

**12 CAPITAL COMMITMENTS**

Capital expenditures as at the reporting date are as follows:

	<b>As At End Of Current Quarter 30.09.2019 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2018 RM'000</b>
Approved but not contracted for: Property, plant and equipment	-	857

**13 CONTINGENT LIABILITIES**

The Group does not have any contingent liabilities as at 30 September 2019.

**14 SUBSEQUENT EVENTS**

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD**

**15 PERFORMANCE REVIEW**

For the period ended 30 September 2019, the Group recorded a revenue of RM16.71 million (2018: RM16.95 million) and loss before taxation of RM5.99 million (2018: RM4.73 million).

The Group's increased in loss before taxation as compared to the preceding year corresponding period was mainly due to lower interest income and higher depreciation and operating expenses for the current period as compared to the preceding year corresponding period.

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature.

**16 COMMENTS ON MATERIAL CHANGES IN LOSS BEFORE TAXATION AS COMPARED WITH IMMEDIATE  
PRECEDING QUARTER**

	<b>Current Quarter 30.09.2019 RM'000</b>	<b>Immediate Preceding Quarter 30.06.2019 RM'000</b>	<b>Changes %</b>
Revenue	6,761	5,374	26
Loss before interest and tax	(755)	(2,520)	(70)
Loss before tax	(755)	(2,522)	(70)
Loss after tax	(799)	(2,539)	(69)
Loss attributable to the ordinary equity holders of the parent	(773)	(2,501)	(69)

The Group's performance for this quarter improved as compared to the immediate preceding quarter. This is mainly due to a 7% increase of overall average room occupancy rates and a 5% increase in average room rates.

**17 PROSPECTS**

Barring any unforeseen circumstances, the Directors anticipate the performance of the Group for the next quarter to remain challenging.

**18 PROFIT FORECAST**

The Group has not provided any profit forecast in a public document.

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**19 INCOME TAX EXPENSE**

Taxation includes:

	<---- INDIVIDUAL PERIOD ---->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Current period's provision	95	123	116	244
Overprovision in respect of previous year	(51)	(101)	(51)	(36)
	<u>44</u>	<u>22</u>	<u>65</u>	<u>208</u>

The effective tax rate of the Group for the current quarter is higher than the statutory tax rate of 24%. This is mainly due to tax charged on profits from certain companies in the Group and non-deductible expenses for tax purposes.

**20 CORPORATE PROPOSALS**

There were no corporate proposals announced during the financial period to date.

**21 BORROWINGS**

	As At End Of Current Quarter 30.09.2019 RM'000	As At End Of Preceding Year End 31.12.2018 RM'000
<b>Short Term Borrowings</b>		
Hire purchase creditors	10	34
<b>Long Term Borrowings</b>		
Hire purchase creditors	48	48
	<u>58</u>	<u>82</u>

The hire purchase payable bears interest rate at 7.15% (2018: 5.51 to 7.15%) per annum.

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**22 CHANGES IN MATERIAL LITIGATION**

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

**23 DIVIDEND**

No interim ordinary dividend has been declared for the current quarter.

An interim single tier dividend of 2 sen per ordinary share was declared on 26 February 2018 and the amount RM3,940,040 was paid on 25 May 2018.

**24 LOSS PER SHARE**

Loss per share is calculated by dividing loss for the period attributable to ordinary equity holders of the Company by the number of ordinary shares in issue during the financial period.

	<--- INDIVIDUAL PERIOD --->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 30.09.2019	Preceding Year Quarter 30.09.2018	Current Year To Date 30.09.2019	Preceding Year Corresponding Period 30.09.2018
Loss attributable to ordinary equity holders of the Company (RM'000)	(773)	(869)	(5,983)	(4,940)
Weighted average number of ordinary shares in issue ('000)	197,002	197,002	197,002	197,002
Loss per share (sen)	(0.39)	(0.44)	(3.04)	(2.51)

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**25 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Loss for the period is arrived at after crediting/(charging):

	<--- INDIVIDUAL PERIOD --->		<--- CUMULATIVE PERIOD --->	
	Current Year Quarter 30.09.2019 RM'000	Preceding Year Quarter 30.09.2018 RM'000	Current Year To Date 30.09.2019 RM'000	Preceding Year Corresponding Period 30.09.2018 RM'000
Interest income	513	539	1,565	1,660
Sundry revenue	77	143	165	226
Interest expense	-	(2)	(3)	(4)
Depreciation	(1,756)	(1,683)	(5,367)	(5,015)
Reversal of impairment loss on receivables	-	-	-	-
Bad debts written off	-	-	-	-
Provision for doubtful debts	(20)	-	(20)	-
Provision for doubtful debts recovered	9	-	9	-
Inventories written down	(1)	-	(2)	-
Gain on disposal of investments	-	-	-	-
Gain on disposal of property, plant and equipment	-	-	-	25
Loss on disposal of property, plant and equipment	-	-	-	-
Property, plant and equipment written off	(3)	(1)	(3)	(2)
Impairment of assets	-	-	-	-
Foreign exchange gain	-	1	-	3

**26 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 11 November 2019.