

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
 AND OTHER COMPREHENSIVE INCOME  
 FOR THE QUARTER ENDED 31 DECEMBER 2015**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current quarter 31.12.2015 RM'000</b>	<b>Previous year corresponding quarter 31.12.2014 RM'000</b>	<b>12 months ended 31.12.2015 RM'000</b>	<b>12 months ended 31.12.2014 RM'000</b>
Revenue	6,302	33,052	181,636	157,951
Cost of sales	(17,793)	(34,114)	(119,241)	(141,495)
Gross (loss)/profit	(11,491)	(1,062)	62,395	16,456
Other operating income	1,875	1,344	3,572	4,390
Operating expenses	(5,978)	(4,318)	(39,433)	(13,319)
(Loss)/Profit from operations	(15,594)	(4,036)	26,534	7,527
Finance costs	(476)	(467)	(3,302)	(1,344)
(Loss)/Profit before tax (Note 25)	(16,070)	(4,503)	23,232	6,183
Tax expenses (Note 19)	6,111	2,241	(15,983)	(2,821)
Profit/(loss) for the period	(9,959)	(2,262)	7,249	3,362
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive (loss)/ income for the period	(9,959)	(2,262)	7,249	3,362
Profit and total comprehensive (loss)/income attributable to :				
Owners of the Parent	(9,959)	(2,262)	7,249	3,362
<b>(LOSS)/EARNINGS PER SHARE (Note 30)</b>				
Basic (sen)	(1.49)	(0.34)	1.08	0.50
Diluted (sen)	(1.49)	(0.34)	1.08	0.50

The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015

	Unaudited as at 31.12.2015 RM'000	Audited as at 31.12.2014 RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	4,302	1,770
Available-for-sale investment	90	90
Investment in associates	47,811	150
Investment properties	498	400
Land held for future development	77,033	115,829
Deferred tax assets	6,238	1,303
	135,973	119,542
<b>CURRENT ASSETS</b>		
Development properties	836,682	746,694
Inventories	182	182
Trade and other receivables	101,617	74,070
Other current assets	75,859	33,794
Tax recoverable	3,349	2,534
Cash and bank balances	111,954	59,166
	1,129,643	916,440
<b>TOTAL ASSETS</b>	<b>1,265,616</b>	<b>1,035,982</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		
Share capital	334,864	334,864
Share premium	225,821	225,821
Reserves	(7,290)	(14,539)
Shareholders' equity	553,395	546,146
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	138,817	200,504
Deferred tax liabilities	100,052	116,206
	238,869	316,710
<b>CURRENT LIABILITIES</b>		
Short term borrowings	60,288	6,269
Trade and other payables	354,027	157,692
Other current liabilities	17,831	5,236
Provisions	5,921	3,860
Tax payable	35,285	69
	473,352	173,126
<b>TOTAL LIABILITIES</b>	<b>712,221</b>	<b>489,836</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,265,616</b>	<b>1,035,982</b>
Net assets per share (RM)	0.83	0.82

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 DECEMBER 2015**

	<b>Share capital</b>	<b>Share premium</b>	<b>Accumulated losses</b>	<b>Total equity</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Opening balance at 1 January 2015</b>	334,864	225,821	(14,539)	546,146
Total comprehensive income for the period	-	-	7,249	7,249
<b>Closing balance at 31 December 2015</b>	334,864	225,821	(7,290)	553,395
<b>Opening balance at 1 January 2014</b>	334,864	225,821	(17,901)	542,784
Total comprehensive income for the period	-	-	3,362	3,362
<b>Closing balance at 31 December 2014</b>	334,864	225,821	(14,539)	546,146

The above condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE QUARTER ENDED 31 DECEMBER 2015

	12 months ended 31.12.2015 RM'000	12 months ended 31.12.2014 RM'000
<b>Operating activities</b>		
Profit before tax	23,232	6,183
Adjustment for :		
Depreciation	520	272
Impairment loss on trade receivables	-	812
Net gain from fair value adjustment of investment properties	(98)	(60)
Interest income	(3,332)	(4,290)
Provision/(reversal of provision) for legal claim	-	220
(Reversal of)/provision for project costs	-	(544)
Provision for foreseeable losses for contracts	1,301	-
Loss on disposal of property, plant and equipment	85	9
Interest expenses	3,302	1,344
Operating profit before changes in working capital	25,010	3,946
Change in trade and other receivables	(69,611)	89,318
Change in trade and other payables	209,689	32,463
Change in property development cost	(51,191)	(278,808)
<b>Cash flows from/(used in) operating activities</b>	<b>113,897</b>	<b>(153,081)</b>
Interest paid	(3,302)	(1,344)
Taxes paid (net)	(2,671)	(8,511)
<b>Net cash from/(used in) operating activities</b>	<b>107,924</b>	<b>(162,936)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1,100)	(586)
Investment in associates	(47,662)	(150)
Proceed from disposal of fixed assets	-	5

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE QUARTER ENDED 31 DECEMBER 2015

	<b>12 months ended 31.12.2015 RM'000</b>	<b>12 months ended 31.12.2014 RM'000</b>
Interest received	3,332	4,290
<b>Net cash from/(used in) investing activities</b>	<b>(45,430)</b>	<b>3,559</b>
<b>Financing activities</b>		
Drawdown of borrowings	7,082	208,501
Placement of other deposits not for short-term financing requirements		(2,921)
Repayment of borrowings	(21,112)	(72,000)
Repayment of obligations under finance leases	(428)	(90)
<b>Net cash (used in)/from financing activities</b>	<b>(14,458)</b>	<b>133,490</b>
Net increase/(decrease) in cash and cash equivalents	48,036	(25,887)
Cash and cash equivalents at beginning of period	25,777	52,747
<b>Cash and cash equivalents at the end of period</b>	<b>73,813</b>	<b>25,777</b>
Cash and cash equivalents comprise:		
Cash and bank balances	60,023	19,285
Deposit with licensed banks	51,931	39,881
	111,954	59,166
Less: Deposit with licensed banks pledged for banking facilities	(28,476)	(28,477)
Less : Bank overdraft	(9,665)	(4,912)
	<b>73,813</b>	<b>25,777</b>

The above condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements (“Condensed Report”) are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report has also been prepared on a historical basis.

This condensed report should be read in conjunction with the audited financial statements for the year ended 31 December 2014. These explanatory notes attached to this condensed report 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 financial year ended 31 December 2014.

**2. CHANGES IN ACCOUNTING POLICIES**

**2.1 Adoption of Standards, Amendments and IC interpretations**

The accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2014 except for the adoption of Amendments to Standards and Issue Committee (“IC”) interpretations effective as of 1 January 2014.

Annual Improvements to FRSs 2010–2012 Cycle  
Annual Improvements to FRSs 2011–2013 Cycle  
Amendments to FRS 119 Defined Benefits Plans: Employee Contributions

**2.2 Standards and interpretations issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group :

Annual Improvements to FRSs 2012–2014 Cycle  
Amendments to FRS 116 and FRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation  
Amendments to FRS 116 and FRS 141 Agriculture : Bearer Plants  
Amendments to FRS 11 Accounting for Acquisitions of Interests in Joint Operations  
Amendments to FRS 10 and FRS 128 Sale or Contribution of Assets between and Investor and its Associate or Joint Venture  
Amendments to FRS 127 : Equity Method in Separate Financial Statements  
Amendments to FRS 101 : Disclosure Initiatives  
Amendments to FRS 10, FRS 12 and FRS 128 : Investment Entities : Applying the Consolidation Exception  
FRS 14 Regulatory Deferred Accounts  
FRS 15 Revenue from Contracts with Customers  
FRS 9 Financial Instruments



## NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2015

### 2.2 Standards and interpretations issued but not yet effective (cont'd)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application, except as described below:

#### **FRS 15 Revenue from Contracts with Customers**

FRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. The core principle of FRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This Standard is applicable to all entities and will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Group is currently assessing the impact of this Standard and plans to adopt this Standard on the required effective date.

#### **FRS 9 Financial Instruments**

In November 2014, MASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. This Standard will come into effect on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Group is currently the impact of the adoption of this Standard in relation to the new requirements for classification and measurement and impairment, but the requirements for hedge accounting is not relevant to the Group.

### 2.3 Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities are allowed to defer the adoption of the new MFRS Framework and may in the alternative, apply Financial Reporting Standards (FRS) as its financial reporting framework for annual periods beginning on or after 1 January 2018.

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
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**2.3 Malaysian Financial Reporting Standards (cont'd)**

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will present its first set of MFRS financial statements when the MFRS Framework is mandated by the MASB. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ending 31 December 2015 could be different if prepared under the MFRS Framework.

**2.4 Significant accounting judgement and estimates**

The Group recognises revenue and expenses from construction activities in the statements of profit or loss and other comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs.

Significant judgment is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and costs, as well as the recoverability of the contract. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

A subsidiary of the Company, namely Tebrau Bay Constructions Sdn. Bhd. ("TBCSB"), has construction projects that are not completed by the contractual deadline and assessed by the management, largely due to factors not within TBCSB's scope of works or responsibility. The projects are still in progress and TBCSB is still finalising extension of time applications with the employer. Nevertheless, TBCSB had received Liquidated Ascertained Damages ("LAD") claims for the projects amounting to RM12.9 million as of the reporting date.

Based on professional advice obtained, TBCSB is not liable for the LAD by reason no notice to imposed such LAD and the requisite Certificate of non-completion ("CNC") has not been formally issued and served to TBCSB.

A sum of RM12.1 million of LAD computed to its best estimated completion date has been recognised in the current financial statements by reason that in financial year 2015 TBCSB became aware of a CNC having been issued for the Pengerang Project. TBCSB shall be disputing such LAD and the said CNC.





NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**3. AUDITORS' REPORT OF THE PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2014**

The auditors' report on the financial statements of the Company and of the Group for the financial year ended 31 December 2014 was not subject to any qualification.

**4. SEASONAL OR CYCLICAL FACTORS**

The Group's business operations are not seasonal but cyclical in nature, which is dependent on the economic conditions in Malaysia.

**5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

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

**6. CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in previous quarters of the current financial period or changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter.

**7. DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the quarter ended 31 December 2015.

**8. CAPITAL MANAGEMENT AND REPAYMENT OF DEBT**

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain the optimal capital structure, the Group may, from time to time, adjust dividend payments to shareholders, return capital to shareholders, issue new shares, redeem debts or sell assets to reduce debts, where necessary.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Group

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

The gearing ratios as at 31 December 2015 and 31 December 2014, which are within the Group's objectives for capital management, are as follows:-

	<b>31.12.2015</b>	<b>31.12.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Borrowings	199,105	206,773
Trade and other payables	354,027	157,692
Less: Cash and bank balances	<u>(111,954)</u>	<u>(59,166)</u>
Net debt	<u>441,178</u>	<u>305,299</u>
Equity	<u>566,768</u>	<u>546,146</u>
Total capital	<u>566,768</u>	<u>546,146</u>
<b>Capital and net debt</b>	<b>1,007,946</b>	<b>851,445</b>
<b>Gearing ratio</b>	<b>43.8%</b>	<b>35.9%</b>

The increase in gearing ratio of 43.8% for the year ended 31 December 2015 as compared to previous year of 35.9% due to increase in amount owing to subcontractors and the deposit collected from the sale of land.

The details of the drawdown and the repayment of bank borrowings in the current quarter are as follows:

	<b>Current year quarter</b>	<b>12 months cumulative to date</b>
	<b>31.12.2015</b>	<b>31.12.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
a) Drawdown on new bank borrowings	7,082	7,082
b) Repayment of bank borrowings	-	21,289

## 9. DIVIDENDS

No dividends were recommended, declared or paid during the financial period ended 31 December 2015.

## 10. VALUATION OF INVESTMENT PROPERTIES

An independent valuation for investment properties was carried out by Raine & Horne during the financial year ended 31 December 2015 and the net fair value gain arising from the valuation amounting to RM98,000 was recognised in the statement of profit or loss for the financial year ended 31 December 2015.



NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the current quarter that have not been reflected in the quarterly financial statements.

**12. GROUP COMPOSITION**

There were no material changes in the composition of the Group during the financial quarter under review except for investment in an associate company, namely Greenland Tebrau Sdn. Bhd..

**13. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

The Group has no contingent liabilities except for the following :

	<b>31.12.2015</b>	<b>31.12.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Corporate guarantees given by the Company to financial institutions for facilities granted to subsidiaries	171,541	164,621
- Current exposure	13,872	1,897
Performance bond issued by subsidiaries involved in construction activities	51,266	51,266

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
 FOR THE QUARTER ENDED 31 DECEMBER 2015

**14. OPERATING SEGMENTS**

The following tables provide an analysis of the Group's revenue, results, assets and liabilities by business segments:-

<b>As at 31 Dec 2015 RM'000</b>	Property Development	Construction	Property Management	Elimination	Consolidated
<b>Revenue</b>					
Revenue	199,882	(9,224)	-	(9,022)	181,636
Other income	1,764	1,438	-	-	3,202
Unallocated other income	-	-	-	-	370
	201,646	(7,786)	-	-	185,208
<b>RESULT</b>					
Segment results	127,424	(45,411)	(25)	(55,908)	26,080
Unallocated corporate expenses					454
Finance costs					(3,302)
<b>Profit before tax</b>					<b>23,232</b>

<b>As at 31 Dec 2014 RM'000</b>	Property Development	Construction	Property Management	Elimination	Consolidated
<b>Revenue</b>					
Revenue	3,534	158,642	-	(4,225)	157,951
Other income	504	3,738	-	-	4,242
Unallocated other income	-	-	-	-	138
	4,038	162,380	-	-	162,331
<b>RESULT</b>					
Segment results	(6,270)	17,132	(9)	(2,089)	8,764
Unallocated corporate expenses					(1,237)
Finance costs					(1,344)
<b>Profit before tax</b>					<b>6,183</b>

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
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**14. OPERATING SEGMENTS (cont'd)**

**ASSETS AND LIABILITIES**

<b>As at 31 Dec 2015 RM'000</b>	Property Development	Construction	Property Management	Elimination	Consolidated
<b><u>ASSETS</u></b>					
Segment assets	978,643	245,831	15,960	(210,908)	1,029,526
Investment in associates					47,812
Investment properties					498
Available-for-sale investments					90
Unallocated corporate assets					187,690
<b>Consolidated total assets</b>					<b>1,265,616</b>
<b><u>LIABILITIES</u></b>					
Segment liabilities	(162,845)	(561,282)	(17,938)	210,908	(531,157)
Unallocated corporate liabilities					(181,064)
<b>Consolidated total liabilities</b>					<b>(712,221)</b>

<b>As at 31 Dec 2014 RM'000</b>	Property Development	Construction	Property Management	Elimination	Consolidated
<b><u>ASSETS</u></b>					
Segment assets	888,492	233,721	17	(295,147)	827,083
Investment in associates					150
Investment properties					400
Available-for-sale investments					90
Unallocated corporate assets					208,259
<b>Consolidated total assets</b>					<b>1,035,982</b>
<b><u>LIABILITIES</u></b>					
Segment liabilities	(141,530)	(439,109)	(538)	295,147	(286,030)
Unallocated corporate liabilities					(203,806)
<b>Consolidated total liabilities</b>					<b>(489,836)</b>

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**15. RELATED PARTY TRANSACTIONS**

Significant related party transactions are as follows:

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000
Purchase of raw materials from a subsidiary of a company of which directors of the Company have interest	466	4,490	992	5,246
Construction related services to a subsidiary of a company of which directors of the Company have interest	4,414	-	9,313	-
Construction related services to an associate company of which directors of the Company have interest	3,080	-	3,974	-
Project management services from a subsidiary of a company of which directors of the Company have interest	405	-	405	-
Rental and maintenance related services from a subsidiary of a company of which directors of the Company have interest	49	-	49	-

The directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**16. REVIEW OF PERFORMANCE**

(i) FY2015 vs FY2014, comparison with the previous year corresponding period

a) Property Development

Property sector recorded segment revenue of RM199.9 million in FY2015, an increase of RM196.35 million as compared to RM3.53 million in FY2014 due to the compulsory land acquisition by the State government and higher contribution from its development and joint venture projects. Accordingly, this sector has also registered a profit of RM96.1 million for FY2015 as compared to RM860,000 for FY2014.

b) Construction

Construction sector recorded reversal of segment revenue of RM9.22 million in FY2015, which was significantly lower by RM167.86 million in comparison to FY2014 due to the recognition of LAD and foreseeable losses and the revision in the revenue and budgeted cost for this sector. Accordingly, a loss of RM43.7 million was registered for FY2015 as compared to RM17.7 million in FY2014 for this sector.

(ii) 4Q 2015 vs 3Q 2015, comparison with immediate preceding quarter

a) Property Development

Revenue for property sector had decreased by RM149.7 million to RM23.2 million in 4Q 2015 as compared to 3Q 2015 of RM172.8 million. The higher profit in the preceding quarter ended 30 September 2015 was contributed by the gain from compulsory land acquisition by State government of RM93.1 million.

b) Construction

Gross loss of RM24.2 million was recorded for construction sector in 4Q 2015 as compared to 3Q 2015 of RM20.5 million. A significantly loss registered in the current quarter was due to recognition of the LAD and provision for foreseeable losses amounted to RM13.37 million in construction activities and also revision in budgeted cost.

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
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**17. PROSPECTS**

The economic outlook for 2016 will continue to remain tough and challenging. With the lacklustre property market and growing fears of slow economic growth in Malaysia, the operating environment is expected to face more headwinds ahead.

To prepare for tougher market conditions in 2016, the Group will continue to be disciplined and prudent in its business development decisions and will emphasize a good balance between growth and stability. With the unbilled sales position and strong portfolio of projects within our land bank, the Group will maintain to grow both top and bottom line while continuing its long-term strategy to attract investors with the right products.

Notwithstanding the economic uncertainty, the Group remains focused in unlocking its land bank's value by attracting other investors and continuing to extend our position in the property market.

**18. PROFIT FORECAST**

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

**19. TAXATION**

	Quarter ended		12 months cumulative to date	
	31.12.2015 RM'000	30.09.2015 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Income tax	557	36,375	37,071	3,498
Deferred tax	(6,668)	(12,126)	(21,088)	(677)
	<u>(6,111)</u>	<u>24,249</u>	<u>15,983</u>	<u>2,821</u>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period. The domestic statutory tax rate will be reduced to 24% from the current year's rate of 25%, effective from year of assessment 2016.



NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

	<b>Current quarter 31.12.2015 RM'000</b>	<b>12 months cumulative to date 31.12.2015 RM'000</b>
Major components of tax expenses:		
(Loss)/Profit before tax	(16,070)	23,232
Taxation at the Malaysian statutory tax rate of 25%	(4,017)	5,808
Adjustments:		
- Income not subject to taxation	(269)	(640)
- Deferred tax recognised at different tax rate	(1,493)	(3,574)
- Deferred tax assets not recognised	(8,772)	(8,772)
- Non - deductible expenses	8,440	21,880
- Under provision in prior period	-	1,281
Tax (income)/expenses	(6,111)	15,983
Effective tax rate	226.6%	43.7%

**20. UNQUOTED INVESTMENTS AND PROPERTIES**

There were no purchases or sales of unquoted investments and properties for the current quarter and financial period-to-date.

**21. QUOTED INVESTMENTS**

There were no purchases or sales of quoted securities for the current quarter and financial period-to-date.

There were no investments in quoted securities as at the end of the current quarter.

**22. STATUS OF CORPORATE PROPOSALS**

There were no other corporate proposals announced but not completed as of the reporting date except for :

- (a) Proposed Disposal of 128 acres of land to Greenland Tebrau Sdn. Bhd.;
- (b) Proposed Acquisition of 67.5 acres of land from Bahagia Wangsa Sdn. Bhd.; and
- (c) Proposed Land Exchange

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**23. BORROWINGS AND DEBT EQUITIES**

Details of the Group's borrowings (all denominated in Malaysian currency) as at 31 December 2015 are as follows:

	<b>Current</b>	<b>Non current</b>	<b>Total</b>
<b>Secured</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Bridging loans – Note 1	-	7,082	7,082
Revolving credit – Note 2	50,000	130,000	180,000
Obligations under finance lease	622	1,735	2,357
Bank overdraft	9,666	-	9,666
<b>Total</b>	<b>60,288</b>	<b>138,817</b>	<b>199,105</b>

Note 1 : As at 31 December 2015, Bridging Loan Facilities under the Bai 'Al Istisna from Bank Kerjasama Rakyat Malaysia Berhad had been granted with the total facilities of RM34.12 million for development properties products – Botanika Projects.

Note 2 : As at 31 December 2015, RM20 million has been repaid to AmIslamic Bank Berhad for Murabahah Tawwarruq RC Facilities. The facility was repaid through direct deduction from the Sales and Purchase Agreement proceeds received.

**24. REALISED AND UNREALISED PROFITS/(LOSSES)**

The Group's realised and unrealised accumulated profit /(losses) disclosure is as follows:

	As at 31.12.2015	As at 30.09.2015
RM'000		
Total accumulated profit/(losses) of the Company and subsidiaries:		
- Realised	58,914	57,934
- Unrealised	59,791	54,006
	<u>118,705</u>	<u>111,940</u>
Less: Consolidation adjustments	(111,415)	(109,269)
<b>Total Group accumulated losses</b>	<b><u>7,290</u></b>	<b><u>2,671</u></b>

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
 FOR THE QUARTER ENDED 31 DECEMBER 2015

**25. (LOSS)/PROFIT BEFORE TAX**

The following amounts have been included in arriving at (loss)/profit before tax:

	Quarter ended		12 months cumulative to date	
	31.12.2015 RM'000	31.12.2014 RM'000	31.12.2015 RM'000	31.12.2014 RM'000
Depreciation	181	64	519	272
Interest income	(1,707)	(1,286)	(3,332)	(4,290)
Interest expenses	475	467	3,301	1,344
Impairment loss on trade receivable	-	-	-	812
Corporate social responsibility	21,300	-	21,300	-
Provision for foreseeable losses	1,301	-	1,301	-
Loss on disposal of property, plant and equipment	-	9	-	9
Fair value adjustment on investment property	(98)	(60)	(98)	(60)
Other income	(6)	(6)	(17)	(39)

Other than as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Malaysia Listing Requirement are not applicable.

**26. CAPITAL COMMITMENTS**

There are no material capital commitments as at the date of this report.

**27. EVENTS AFTER REPORTING PERIOD**

There were no material events subsequent to the end of the current quarter.

NOTES TO THE 4<sup>th</sup> QUARTER FINANCIAL REPORT  
FOR THE QUARTER ENDED 31 DECEMBER 2015

**28. DERIVATIVES**

- a. There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the quarter ended 31 December 2015; and
- b. The Group has not entered into any type of derivatives in the previous financial year or the period under review.

**29. DIVIDEND PAYABLE**

No dividend has been declared for the financial period ended 31 December 2015 (31 December 2014 : RM Nil).

**30. EARNINGS PER SHARE**

The basic earnings per share for the financial period has been calculated based on the Group's earnings after taxation and divided by the 669,727,143 ordinary shares of RM0.50 each in issue during the financial period.

**31. STATUS OF JOINT VENTURE PROJECT**

Following is the status of the existing joint venture projects as at 31 December 2015 :

	<b>Paradise Realty Sdn. Bhd.</b>
<u>Development Status</u>	
Total land area	20.324 acres
% land under development	100%
% of development completed	49.96%
% of development not yet completed	50.04%
<u>Joint Venture Consideration</u>	
Minimum consideration (RM'000)	35,426
Amount invoiced (RM'000)	35,426
Amount collected (RM'000)	(35,426)
Outstanding as at 31 Dec 2015 (RM'000)	-

**32. 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 26 February 2015.