

**CONDENSED CONSOLIDATED INCOME STATEMENT
 FOR THE PERIOD ENDED 29 FEBRUARY 2008**

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|---|-------------------------|--|-------------------------|---|
| | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To Date | Preceding Year Corresponding Period |
| | 29/02/2008 | 28/02/2007 | 29/02/2008 | 28/02/2007 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 1,844 | N/A | 24,402 | N/A |
| Cost of sales | (1,649) | N/A | (19,009) | N/A |
| Gross profit | 195 | N/A | 5,393 | N/A |
| Other operating income | 156 | N/A | 20,609 | N/A |
| Distribution costs | (87) | N/A | (673) | N/A |
| Administration expenses | (849) | N/A | (7,087) | N/A |
| Other operating expenses | (440) | N/A | (1,530) | N/A |
| (Loss)/Profit from operations | (1,025) | N/A | 16,712 | N/A |
| Finance costs | (985) | N/A | (7,577) | N/A |
| Share of profit after tax and minority interest of associate | - | N/A | 920 | N/A |
| (Loss)/Profit before tax | (2,010) | N/A | 10,055 | N/A |
| Income tax expense | (17) | N/A | (1,461) | N/A |
| (Loss)/Profit for the period | (2,027) | N/A | 8,594 | N/A |
| Attributable to: | | | | |
| Shareholders of the company | (2,018) | N/A | 7,579 | N/A |
| Minority interests | (9) | N/A | 1,015 | N/A |
| (Loss)/Profit for the period | (2,027) | N/A | 8,594 | N/A |
| Basic (loss)/profit per ordinary share (sen) | (0.31) | N/A | 1.17 | N/A |
| Diluted profit per ordinary share (sen) | - | - | - | - |

Note:

The comparative figures are not applicable due to the change of financial year as detailed in Note A1. The current quarter announcement is for 1 month period, February 2008.

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 July 2007.

**CONDENSED CONSOLIDATED BALANCE SHEET
 AS AT 29 FEBRUARY 2008**

| | (Unaudited) 29/02/2008 RM'000 | (Audited) 31/07/2007 RM'000 |
|--|-------------------------------------|-----------------------------------|
| Non-current Assets | | |
| Property, Plant and Equipment | 43,477 | 76,108 |
| Investment Properties | 308,664 | 308,582 |
| Prepaid Lease Payments | 4,062 | 4,026 |
| Investment in an Associate | 24,303 | 23,383 |
| Other Long Term Investments | 6,877 | 6,873 |
| Deferred Tax Asset | 1,940 | 1,887 |
| Other Intangible Asset | 548 | 399 |
| Goodwill | - | 839 |
| | <u>389,871</u> | <u>422,097</u> |
| Current Assets | | |
| Property Development Costs | 88,244 | 87,598 |
| Inventories | 823 | 3,427 |
| Trade Receivables | 58,814 | 54,670 |
| Other Receivables, Deposits and prepayments | 6,020 | 10,449 |
| Tax Recoverable | 172 | 172 |
| Fixed Deposit with Licensed Bank | 4,466 | 1,422 |
| Cash and Cash Equivalents | 1,859 | 2,715 |
| | <u>160,398</u> | <u>160,453</u> |
| TOTAL ASSETS | <u>550,269</u> | <u>582,550</u> |
| Equity | | |
| Share Capital | 325,074 | 325,074 |
| Reserves | (52,867) | (55,131) |
| Equity attributable to shareholders of the Company | <u>272,207</u> | <u>269,943</u> |
| Minority Interest | 14,956 | 31,002 |
| Total Equity | <u>287,163</u> | <u>300,945</u> |
| Non-current liabilities | | |
| Hire Purchase Liabilities | 660 | 126 |
| Borrowings | 101,016 | 99,057 |
| Deferred Taxation | - | 2,713 |
| | <u>101,676</u> | <u>101,896</u> |
| Current Liabilities | | |
| Trade Payables | 4,475 | 11,116 |
| Amount due to an Associate | 3,235 | 37 |
| Other Payables and Accruals | 97,966 | 94,861 |
| Hire Purchase Liabilities | 210 | 180 |
| Short Term Borrowings | 29,951 | 51,148 |
| Taxation | 25,593 | 22,367 |
| | <u>161,430</u> | <u>179,709</u> |
| TOTAL EQUITY AND LIABILITIES | <u>550,269</u> | <u>582,550</u> |
| Net Assets per share attributable to ordinary equity holders of the Company (RM) | 0.4187 | 0.4152 |

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the financial year ended 31 July 2007.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD ENDED 29 FEBRUARY 2008**

| | Share Capital RM'000 | Share Premium RM'000 | Revaluation Reserve RM'000 | Foreign Exchange Translation Reserve RM'000 | Accumulated Losses RM'000 | Total RM'000 | Minority Interests RM'000 | Total Equity RM'000 |
|---|----------------------------|----------------------------|----------------------------------|---|---------------------------------|-----------------|---------------------------------|---------------------------|
| Balance as at 1 August 2007 | 325,074 | 295,727 | 4,398 | (3,581) | (351,675) | 269,943 | 31,002 | 300,945 |
| Exchange differences on translation of financial statements of foreign subsidiaries | - | - | (16) | (1,311) | - | (1,327) | - | (1,327) |
| Realisation of reserves on disposal of subsidiaries | - | - | (2,948) | (1,040) | - | (3,988) | (17,061) | (21,049) |
| Net profit for the period | - | - | - | - | 7,579 | 7,579 | 1,015 | 8,594 |
| Balance as at 29 February 2008 | 325,074 | 295,727 | 1,434 | (5,932) | (344,096) | 272,207 | 14,956 | 287,163 |

Note:

The comparative figures are not applicable due to the change of financial year as detailed in Note A1. The current quarter announcement is for 1 month period, February 2008.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 July 2007.

**CONDENSED CONSOLIDATED CASHFLOW STATEMENT
 FOR THE PERIOD ENDED 29 FEBRUARY 2008**

| | Seven Months Ended 29/02/2008 RM'000 | Seven Months Ended 28/02/2007 RM'000 |
|---|---|---|
| Cash Flows from Operating Activities | | |
| Profit Before Tax | 10,055 | N/A |
| Adjustments for: | | |
| Non-Cash Items | 1,453 | N/A |
| Non-Operating Items | (13,509) | N/A |
| Operating Loss Before Working Capital Changes | <u>(2,001)</u> | N/A |
| Changes in Working Capital | <u>(2,315)</u> | N/A |
| Cash Used in Operations | <u>(4,316)</u> | N/A |
| Tax Refunded | <u>2,339</u> | N/A |
| Net Cash Used in Operating Activities | <u><u>(1,977)</u></u> | <u><u>N/A</u></u> |
| Cash Flows from Investing Activities | | |
| Equity Investments | 29,953 | N/A |
| Others | (189) | N/A |
| Net Cash Generated from Investing Activities | <u><u>29,764</u></u> | <u><u>N/A</u></u> |
| Cash Flows from Financing Activities | | |
| Bank Borrowings | (22,415) | N/A |
| Others | (29) | N/A |
| Net Cash Used in Financing Activities | <u><u>(22,444)</u></u> | <u><u>N/A</u></u> |
| Net Increase in Cash and Cash Equivalents | 5,343 | N/A |
| Effects of Exchange Rate Changes | (964) | N/A |
| Cash and Cash Equivalents at Beginning of Period | (1,254) | N/A |
| Effect of Exchange Rate Changes | - | N/A |
| Cash and Cash Equivalents at End of Period | <u><u>3,125</u></u> | <u><u>N/A</u></u> |

The Cash and Cash Equivalents comprise the following balance sheet amounts:

| | RM'000 | RM'000 |
|---------------------------------|---------------------|-------------------|
| Cash and Bank Balances | 1,859 | N/A |
| Deposits | 4,466 | N/A |
| Bank Overdrafts | <u>(1,769)</u> | N/A |
| | 4,556 | N/A |
| Fixed Deposits Pledged to Banks | <u>(1,431)</u> | N/A |
| | <u><u>3,125</u></u> | <u><u>N/A</u></u> |

Note:

The comparative figures are not applicable due to the change of financial year as detailed in Note A1. The current quarter announcement is for 1 month period, February 2008.

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2007.

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 29 FEBRUARY 2008

A. *DISCLOSURE REQUIREMENTS AS PER FRS 134*

1. **Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with requirements of FRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the same accounting policies adopted in 2007 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2008 annual financial statements. Details of these changes in accounting policies are set out in Note 2.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 July 2007. These explanatory notes attached to the financial statements provided 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 July 2007.

As announced on 1 April 2008, the Company has changed its financial year-end from the existing 31 July to 31 May. The comparative figures are not applicable for the current financial period due to the change of financial year end.

Due to the above-mentioned change of the financial year end, the current quarter announcement is for 1 month period, that is, for February 2008.

2. **Changes in accounting policies**

The MASB has issued a number of new and revised Financial Reporting Standards (FRSs, which term collectively includes the MASB's Issues Committee's Interpretations) that are effective for accounting periods beginning on or after 1 January 2006.

The FRS that will be effective in the annual financial statements for the year ending 31 May 2008 may be affected by the issue of additional interpretation(s) or other changes announced by the MASB subsequent to the date of issuance of this interim report. Therefore the policies that will be applied in the Group's financial statements for the period cannot be determined with certainty at the date of issuance of this interim financial report.

The following sets out further information on the changes in accounting policies for the annual accounting period beginning on 1 August 2007:

- **FRS 117 Leases**

With the adoption of FRS 117, leasehold land is no longer classified as property, plant and equipment but classified as 'prepaid lease payment (interest in leasehold land)' and amortised over the lease term.

3. **Qualification of Audit Report**

The audit report of the financial statement of the Group for the year ended 31 July 2007 was not qualified.

4. Seasonal or Cyclical Factors

There are no seasonal factors affecting the Group performance.

5. Material Changes In Estimates

There were no material changes in estimates that have had a material effect in the current quarter and financial period-to-date results.

6. Debt and Equity Securities

There were no cancellation, repurchases, resale and repayments of debts and equity securities during the financial period-to-date.

7. Dividends Paid

There were no dividends paid during the financial period-to-date.

8. Segmental Reporting

| | Gross Operating Revenue RM'000 | Profit/ (Loss) Before Taxation RM'000 |
|------------------------------|---|--|
| Plantations/ Palm Oil Mills | 10,011 | 2,086 |
| Property/ Construction | 7,435 | 0 |
| Manufacturing | 85 | (666) |
| Investment & Others | 7,366 | 15,292 |
| | <u>24,897</u> | <u>16,712</u> |
| Elimination | (495) | - |
| Financing Costs | - | (7,577) |
| Share of Profit of Associate | - | 920 |
| | <u>24,402</u> | <u>10,055</u> |

9. Valuation of Property, Plant & Equipment

The valuation of land and building have been brought forward, without amendments from the previous annual report.

10. Material Subsequent Events

There were no material events subsequent to the end of the interim period to 24 April 2008 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report) that have not been reflected in the financial statements for the interim period ended 29 February 2008.

11. Effect of Changes in the Composition of the Group

There were no changes in the composition of the Group during the current interim period except that the Company had on 25 January 2008 acquired a shelf company, EcoFirst Products Worldwide Sdn Bhd (formerly know as Everise Growth Sdn Bhd) with a paid up share capital of RM2.00 consisting 2 ordinary shares of RM1.00 each.

12. Changes in Contingent Liabilities/Contingent Assets

The contingent liabilities as at financial period ended 29 February 2008 are as follows:

| | RM'000 |
|---|---------------|
| Guarantees and Contingencies Relating to: | |
| - Affiliated Companies | 10,218 |
| - Third Party | 648 |
| | <u>10,866</u> |

B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

The Group achieved a revenue of RM24.4 million for the 7 month period ended 29 February 2008. No comparison was made against the previous corresponding quarter as the Group has changed its financial year-end from the existing 31 July to 31 May as detailed in Note A1.

The Group recorded a profit before tax of RM10.0 million for the same period under review, no comparison was made against the previous corresponding quarter as the Group has changed its financial year-end from the existing 31 July to 31 May as detailed in Note A1.

2. Variation of results against preceding quarter

The Group recorded a loss before tax of RM2.0 million for the current quarter. The preceding quarter's result was a profit before tax of RM16.1 million which was mainly due to gain on disposal of subsidiaries of RM18.1 million.

3. Current year prospects

The Group expects its new construction projects to start contributing towards the end of the financial year. In the meantime, the Group's performance of the multilevel marketing, food franchise and shopping mall businesses are expected to improve in terms of revenue and returns.

4. Variance of Profit Forecast / Profit Guarantee

Not applicable.

5. Income Tax Expense

| | Current Quarter Ended 29 February 2008 RM'000 | Cumulative Year-To-Date 29 February 2008 RM'000 |
|--------------------------------|---|---|
| Under provision in prior years | 17 | 1,514 |
| | <u>17</u> | <u>1,514</u> |
| Deferred tax - prior year | - | (53) |
| | <u>17</u> | <u>1,461</u> |

6. Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the current quarter.

7. Purchase or Disposal of Quoted Investments

(a) There was no acquisition of quoted investments during the current quarter.

(b) Total investments in quoted securities as at the end of the financial period-to-date are as follows:

| | RM'000 |
|-----------------------|--------|
| (i) At cost | 73,002 |
| (ii) At book value | 30,041 |
| (iii) At market value | 22,180 |

8. Status of Corporate Proposals Announced

There are no corporate proposals announced but not completed as at 24 April 2008.

9. Group Borrowings and Debt Securities

Total Group borrowings as at 29 February 2008 are as follows:

| | Secured RM'000 | Unsecured RM'000 | Total RM'000 |
|--|-------------------|---------------------|-----------------|
| <u>Long Term Borrowings</u> | | | |
| Amount repayable after twelve months | 100,016 | - | 100,016 |
| Non-Convertible Redeemable Preference Shares | - | 1,000 | 1,000 |
| | <u>100,016</u> | <u>1,000</u> | <u>101,016</u> |

| | Secured RM'000 | Unsecured RM'000 | Total RM'000 |
|------------------------------------|-------------------|---------------------|-----------------|
| <u>Short Term Borrowings</u> | | | |
| Bank overdrafts | 1,769 | - | 1,769 |
| Revolving credits | 7,550 | - | 7,550 |
| Current portion of long term loans | 20,632 | - | 20,632 |
| | <u>29,951</u> | <u>-</u> | <u>29,951</u> |
| Total Group Borrowings | <u>129,967</u> | <u>1,000</u> | <u>130,967</u> |

Included in the above Group borrowings are the following loans denominated in Solomon Dollars (SBD):

Secured Borrowings:

| | Foreign Currency SBD'000 | RM'000 (equivalent) |
|----------------------------|-----------------------------|------------------------|
| Short term bank borrowings | 499 | 204 |

10. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 24 April 2008 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

11. Changes in Material Litigation

Further to the disclosure in the previous quarter's report on material litigation, the changes in material litigation as at 24 April 2008 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report) are as follows:

- (i) *The Company v Individual (1st defendant) and Astounding Holdings Sdn Bhd (2nd defendant) for RM15 million*

The case is now consolidated with another suit between Pica (M) Corporation Berhad Vs Individual (1st defendant). It is pending the setting down for trial.

- (ii) *Jiddi Joned Enterprises Sdn Bhd and 3 other subsidiary companies v Yeng Chong Realty Sdn Bhd (1st defendant)/ Louis KH Wong (2nd defendant)*

The Court of Appeal has on 25 February 2008 allowed the plaintiffs' appeal against the striking out of the plaintiffs' suit by the 1st defendant. The matter is now reinstated in the High Court with the plaintiffs' application for further and better particulars against the 1st defendant (Enclosure 12) and against the 2nd defendant (Enclosure 14) fixed for hearing respectively on 14 May 2008.

- (iii) *56 purchasers of South City Condominiums v Pujian Development Sdn Bhd ("Pujian"), a subsidiary company, and seven others.*

Matter is fixed for mention on 9 June 2008.

- (iv) *24 purchasers of South City Plaza v Pujian*

Matter is fixed for mention on 9 June 2008.

- (v) *Pujian v Arab-Malaysian Assurance Berhad*

Pujian's claim has been dismissed with costs. Pujian has since filed an appeal on 30 August 2007.

- (vi) *The Government of Malaysia (Inland Revenue Board) ("IRB") v 4 Subsidiary companies, Mudek Sdn Bhd ("Mudek"), Seri Jasin Sdn Bhd ("Seri Jasin"), Berembang Sdn Bhd ("Berembang") and Jiddi Joned Sdn Bhd ("Jiddi Joned") in individual cases*

Mudek was successful in its application to set aside the judgement in default obtained earlier by IRB. The court has dismissed IRB's application to renew the summons with costs on 3 October 2007.

In respect of Seri Jasin's suit, the matter is now pending extraction of IRB's summary judgement application.

Jiddi Joned and Berembang have both filed their defences. In respect of Jiddi Joned's suit, the plaintiff has filed an application for summary judgement, however it has yet to be extracted.

The said subsidiary companies have initiated another legal proceeding against Yeng Chong Realty Bhd similar to (ii) above, for part of the said real property gains tax withheld from the purchase consideration for the disposal of the properties concerned. The defendant has again filed an application to strike out the action which was dismissed. The defendant's further appeal was also dismissed on 12 July 2007. Matter is now fixed for case management on 21 May 2008.

- (vii) *Yeng Chong Realty Bhd ("Yeng Chong") v Tenaga Nasional Bhd ("TNB"), Mudek and Berembang*

Yeng Chong has also applied for an injunction against TNB to prevent TNB from entering into the property and making compensation to Mudek and Berembang, the injunction of which was refused on 27 September 2006. Yeng Chong has since filed an appeal against the decision. Matter is now fixed for decision on 16 July 2008 in respect of our application to transfer proceeding to Kuala Lumpur.

- (viii) *IRB v Pujian*

The Government of Malaysia is claiming for tax assessment for the year 1998, 1999, 2000 in one action and for year 1999 (Tambahan) in another action, and for year 2001 in another action, and for year 2004 in another action. For the first action, Pujian succeeded in setting aside the judgement in default of appearance. IRB has since filed an appeal against the said decision. In relation to the second action, Pujian's defence was filed on 29 August 2007. In relation to the third action, Pujian succeeded in striking out the action on 27 December 2006. IRB has since filed and served a fresh suit for the same subject matter and Pujian's defence was filed on 29 August 2007. In respect of the fourth action, Pujian's defence was filed on 2 November 2006. No new developments in respect of the 1st, 2nd and 3rd action. As for the 4th action, the court has fixed this matter for hearing of the plaintiff's application for summary judgement on 12 February 2008. Matter is fixed for decision on 30 April 2008.

(ix) *IRB v Tashima Development Sdn Bhd ("Tashima")*

IRB commenced two actions against Tashima for income tax outstanding for assessment years 2000 in one action, and 2001 and 2002 in another action. In the first action, Tashima has filed its statement of defence on 10 April 2007. In respect of the second action, the court has allowed the plaintiff's summary judgement application on 12 February 2008. Tashima has since filed its appeal against the said decision.

12. Dividend

No dividend has been declared for the current financial period-to-date.

13. Earnings Per Share

The basic earnings per share have been calculated based on the consolidated net profit attributable to ordinary shareholders for the period and the weighted average number of ordinary shares in issue during the period.

Basic (loss)/earnings per share

| | Current Quarter Ended 29/02/08 (RM'000) | Comparative Quarter Ended 28/02/07 (RM'000) | Cumulative Year-To-Date | |
|---|--|--|----------------------------|----------------------|
| | | | 29/02/08 (RM'000) | 28/02/07 (RM'000) |
| (Loss)/Earnings | | | | |
| Net (Loss)/Profit attributable to ordinary shareholders | (2,018) | N/A | 7,579 | N/A |
| | ('000) | ('000) | ('000) | ('000) |
| Weighted average number of ordinary shares | 650,148 | N/A | 650,148 | N/A |

Note:

The comparative figures are not applicable due to the change of financial year as detailed in Note A1.

There is no dilution in the earnings per share as the average market value of the Company's ordinary shares during the period was lower than the exercise price of the outstanding warrants 2004/2009. Accordingly, there would be no conversion of these outstanding instruments for the purposes of calculating the fully diluted earnings per share.

29 April 2008