

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 29 FEBRUARY 2012**

	Current Year	Preceding Year	CUMULATIVE PERIOD	
	Quarter	Corresponding	Current Year	Preceding Year
	29/2/2012	28/2/2011	To Date	Corresponding
	RM'000	RM'000	29/2/2012	Period
			RM'000	28/2/2011
				RM'000
Revenue	37,727	2,877	87,703	12,905
Cost of sales	(26,686)	(1,314)	(62,765)	(9,154)
Loss on revocation of property sales	-	(20,483)	-	(21,753)
Gross profit/(loss)	11,041	(18,920)	24,938	(18,002)
Other income	229	32,526	1,702	35,945
Distribution costs	(2,593)	3	(3,321)	(194)
Administration expenses	(1,845)	(1,954)	(5,052)	(4,702)
Other expenses	(3,622)	(428)	(8,681)	(1,006)
Profit from operations	3,210	11,227	9,586	12,041
Finance costs	(1,316)	(3,312)	(2,829)	(9,734)
Net profit before tax	1,894	7,915	6,757	2,307
Income tax expense	(2,469)	(4)	(4,215)	(9)
Net (loss)/profit for the period	(575)	7,911	2,542	2,298
Attributable to:				
Equity holders of the Company	(573)	7,956	2,550	2,411
Minority interests	(2)	(45)	(8)	(113)
(Loss)/Profit for the period	(575)	7,911	2,542	2,298
Other comprehensive income, net of tax				
Available-for-sales financial assets				
- Gain on fair value changes	3,835	2,355	4,147	5,824
Foreign currency translation differences for foreign operations	4	3	1	5
Total comprehensive income for the period	3,264	10,269	6,690	8,127
Total comprehensive income				
Attributable to:				
Equity holders of the Company	3,266	10,314	6,698	8,240
Minority interests	(2)	(45)	(8)	(113)
	3,264	10,269	6,690	8,127
Basic (loss)/earnings per ordinary share (sen)	(0.09)	1.22	0.39	0.37
Diluted earnings/(loss) per ordinary share (sen)	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2011.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2012**

	(Unaudited) 29.2.2012 RM'000	(Audited) 31.05.2011 RM'000
Non-current assets		
Property, plant and equipment	1,813	1,660
Investment properties	337,014	318,265
Available-for-sales financial assets	11,390	7,781
Deferred tax assets	226	226
Trade receivables	-	2,087
	<u>350,443</u>	<u>330,019</u>
Current assets		
Inventories	291	329
Property development costs	50,688	56,830
Trade receivables	12,891	7,484
Other receivables, deposits and prepayments	12,617	16,029
Tax recoverable	204	214
Cash and bank balances	1,058	3,451
	<u>77,749</u>	<u>84,337</u>
TOTAL ASSETS	<u>428,192</u>	<u>414,356</u>
Equity		
Share capital	325,074	325,074
Reserves	(199,754)	(206,452)
Equity attributable to shareholders of the Company	<u>125,320</u>	<u>118,622</u>
Minority interests	<u>14,743</u>	<u>14,751</u>
Total equity	<u>140,063</u>	<u>133,373</u>
Non-current liabilities		
Hire purchase liabilities	161	277
Long-term borrowings	97,550	104,644
Trade payables	-	1,653
	<u>97,711</u>	<u>106,574</u>
Current liabilities		
Trade payables	28,553	23,302
Other payables and accruals	90,642	88,189
Hire purchase liabilities	189	190
Short-term borrowings	32,342	28,370
Tax payable	38,692	34,358
	<u>190,418</u>	<u>174,409</u>
TOTAL EQUITY AND LIABILITIES	<u>428,192</u>	<u>414,356</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.1928	0.1825

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2011.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 FEBRUARY 2012**

	Share capital RM'000	Share premium RM'000	Fair value adjustment reserve RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Accumulated losses RM'000	Shareholders' equity RM'000	Minority interests RM'000	Total equity RM'000
Balance as at 1 June 2011	325,074	295,727	4,390	-	11	(506,580)	118,622	14,751	133,373
Total comprehensive income for the period	-	-	4,147	-	1	2,550	6,698	(8)	6,690
Balance as at 29 February 2012	<u>325,074</u>	<u>295,727</u>	<u>8,537</u>	<u>-</u>	<u>12</u>	<u>(504,030)</u>	<u>125,320</u>	<u>14,743</u>	<u>140,063</u>
Balance as at 1 June 2010	325,074	295,727	-	1,436	6	(517,030)	105,213	15,018	120,231
Effects of adopting FRS139	<u>-</u>	<u>-</u>	<u>970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>970</u>	<u>-</u>	<u>970</u>
As restated	325,074	295,727	970	1,436	6	(517,030)	106,183	15,018	121,201
Total comprehensive income for the period	-	-	5,824	-	5	2,411	8,240	(113)	8,127
Balance as at 29 February 2011	<u>325,074</u>	<u>295,727</u>	<u>6,794</u>	<u>1,436</u>	<u>11</u>	<u>(514,619)</u>	<u>114,423</u>	<u>14,905</u>	<u>129,328</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2011.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 29 FEBRUARY 2012**

	Nine months ended 29 Feb 2012 RM'000	Nine months ended 28 Feb 2011 RM'000
Cash flows from/(used in) operating activities		
Profit before taxation	6,757	2,307
Adjustments for :		
- Non-cash items	671	499
- Non-operating items	434	(33,567)
Operating profit/(loss) before working capital changes	7,862	(30,761)
Changes in working capital		
- Inventories	38	56
- Trade and other receivables	92	24,288
- Trade and other payables	6,051	(781)
Cash generated from/(used in) operations	14,043	(7,198)
- Interest paid	(2,334)	-
- Income tax refund/(paid)	129	(9)
Net cash generated from/(used in) operating activities	11,838	(7,207)
Cash flows from/(used in) investing activities		
- Addition of investment properties/property development costs	(12,661)	(22,158)
- Proceeds from disposal of quoted shares	1,642	-
- Purchase of property, plant and equipment	(824)	(450)
- Interest received	6	208
Net cash used in investing activities	(11,837)	(22,400)
Cash flows from/(used in) financing activities		
- Net (repayment of borrowings)/loan capitalisation	(2,394)	5,173
Net cash (used in)/generated from financing activities	(2,394)	5,173
Net decrease in cash and cash equivalents	(2,394)	(24,434)
Effects of exchange rate changes	1	5
Cash and cash equivalents at beginning of period	3,451	26,171
Cash and cash equivalents at end of period	1,058	1,742
Cash and cash equivalents comprise:		
	RM'000	RM'000
Cash and bank balances	1,018	999
Short term deposits	40	743
	1,058	1,742

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2011.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 29 FEBRUARY 2012**

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 2011 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2012 annual financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 May 2011. The 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 May 2011.

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 May 2011, except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and IC Interpretations with effect from 1 January 2011:

FRSs, Amendment to FRSs and IC Interpretations

FRS 3	Business Combinations (revised)
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards – Limited Exemption from Comparative FRS 7 Disclosures – Additional Exemptions for First-time Adopters
Amendments to FRS 5	Plan to Sell the Controlling Interest in a Subsidiary
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 127	Consolidated and Separate Financial Statements (revised)
Amendments to FRS 138	Consequential amendments arising from FRS 3 (revised)
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Annual Improvements to FRSs (2011)	

A. DISCLOSURE REQUIREMENTS AS PER FRS 134

3. Qualification of Audit Report

The audit report of the financial statement of the Group for the financial year ended 31 May 2011 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 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 period year 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
Property Management / Investment / Development	87,733	11,406
Network Marketing	295	(451)
Construction	-	(174)
Investment and Others	862	(1,195)
	<u>88,890</u>	<u>9,586</u>
Elimination Inter-Group	(1,187)	-
Financing Costs	-	(2,829)
	<u>87,703</u>	<u>6,757</u>

A. DISCLOSURE REQUIREMENTS AS PER FRS 134

9. Valuation of Property, Plant & Equipment

The valuation of land and building has 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 20 April 2012 (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 financial period ended 29 February 2012.

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 for the completion of the members' voluntary winding up of EcoFirst Products (S) Pte Ltd, a wholly-owned subsidiary of the Company on 29 December 2011.

12. Changes in Contingent Liabilities/Contingent Assets

There were no contingent liabilities/contingent assets for the current interim financial period.

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 recorded a revenue of RM87.7 million and profit before taxation of RM6.8 million for the third quarter ended 29 February 2012, an improvement of 580% and 193% respectively, as compared to the preceding year corresponding period. Contribution was mainly from the commercial development project in Ipoh, Perak.

2. Variation of Results against Preceding Quarter

The Group recorded a profit before tax of RM1.9 million in the current quarter, compared to RM2.2 million in the preceding quarter. Profit for the current quarter was slightly lower than the preceding quarter mainly due to advertisement and promotion expenses incurred for the new 1Segamat shopping mall.

3. Current Year Prospects

The commercial development project in Ipoh, Perak is progressing smoothly with the first phase of construction works of 102 units of shop offices substantially completed and fully sold. The second phase of development consisting of 147 units of shop offices is 42.5% completed.

The Group's 1Segamat mall in Segamat, Johor, completed end of 2011, is now being filled by tenants in stages. Upon the opening of business of its two main anchor tenants, the Cineplex and the supermarket, occupancy of the mall is expected to reach at least 85%. Contribution from 1Segamat mall will come on stream substantially in the next financial year. Together with the retail mall in Seri Kembangan, Selangor, rental income derived from these two investment properties will form a substantial source of recurring income for the Group.

The iron ore operation in Kalimantan, Indonesia is expected to contribute to the Group's performance before the end of the current financial year. This is in line with the Group's intention to diversify its business portfolio to enhance its sustainable income stream.

4. Variance of Profit Forecast / Profit Guarantee

Not applicable

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

5. Notes to the Consolidated Statement of Comprehensive Income

	Current Quarter Ended 29-Feb-12 RM'000	Comparative Quarter Ended 28-Feb-11 RM'000	9 months cumulative 29-Feb-12 RM'000	9 months cumulative 28-Feb-11 RM'000
Profit before taxation is arrived at after charging/(crediting) :				
Interest income	(1)	(44)	(6)	(327)
Loss on disposal of quoted investments	-	-	71	-
Interest expense	1,316	3,312	2,829	9,734
Depreciation of property, plant and equipment	146	179	401	499
Impairment losses on property, plant and equipment	-	-	270	-
	<u>-</u>	<u>-</u>	<u>270</u>	<u>-</u>

6. Income Tax Expense

	Current Quarter Ended 29 February 2012 RM'000	Cumulative Year To-Date 29 February 2012 RM'000
Current income tax :		
- Malaysian tax	<u>2,469</u>	<u>4,215</u>

7. Unquoted Investments and Properties

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

8. Purchase or Disposal of Quoted Investments

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

(b) Total investments in quoted securities as at 29 February 2012 are as follows :

(i) At cost	15,600
(ii) At carrying value	10,191
(iii) At market value	10,191

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

9. Status of Corporate Proposals Announced

There are no corporate proposals which has been announced by the Company but not completed as at 20 April 2012 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

10. Group Borrowings and Debt Securities

Total Group borrowings as at 29 February 2012 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long-Term Borrowings			
Amount repayable after twelve months	96,550	-	96,550
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>96,550</u>	<u>1,000</u>	<u>97,550</u>
Short-Term Borrowings			
Current portion of long term borrowings	32,342	-	32,342
	<u>32,342</u>	<u>-</u>	<u>32,342</u>

11. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 20 April 2012 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

12. Changes in Material Litigation

Further to the disclosure in the previous quarter's report on material litigation, the changes in material litigation as at 20 April 2012 (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) *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 was reinstated in the High Court and fixed for full trial. However, as a winding up order was made against the 1st Defendant, the suit has been stayed until the sanction to proceed is obtained from the winding up court. However, on 19 April 2011, the Defendant's solicitor has obtained a stay against the winding up order and the matter proceeded with trial on 7 to 9 December 2011. The Court allowed the Plaintiff's claim against the 1st Defendant whereas for the 2nd Defendant, Court allowed cost against him.

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

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

Matter was fixed for trial whereby consent judgement was recorded for the Plaintiff to pay RM38,645.82 as full settlement of the matter. Payment has been made and the matter has been fully settled.

In respect of the litigation cases stated below, for accounting purposes, all the amounts owed have been provided for in the financial statements.

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

The High Court has allowed the Plaintiffs' claims to rescind the sale and purchase agreement and Pujian has filed an appeal to the Court of Appeal. The Court of Appeal dismissed Pujian's appeal with cost on 3 October 2011. Plaintiff filed application for assessment of damages at the High Court and it is now fixed for hearing on 14 June 2012.

- (iv) *The Government of Malaysia (Inland Revenue Board) ("IRB") v 2 Subsidiary companies, Mudek Sdn Bhd ("Mudek"), and Berembang Sdn Bhd ("Berembang") 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. IRB has since filed and served a fresh writ of summons of which the defence has been filed by Mudek on 22 May 2008. IRB applied for summary judgement and was allowed by the court on 14 January 2011. Our Appeal has been adjourned to a date yet to be fixed. Mudek has filed stay of execution on 30 June 2011 and it is now fixed for clarification on 28 May 2012.

In respect of Berembang's suit, the Plaintiff's application for summary judgement was heard on 12 July 2010 whereby the application was dismissed on the basis that there are triable issues. The Plaintiff has filed an appeal to the Court of Appeal which was dismissed on 22 November 2011. The case was referred to the High Court for full trial on 5 March 2012. Judge has dismissed the Plaintiff's suit for non compliance of order given by the Court and the non-presence of the Plaintiff's lawyer at the time of trial. However, the Plaintiff filed an application to re-instate the summons which is fixed for hearing on 4 May 2012.

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

- (v) *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 but has withdrawn it on 12 April 2010. The High Court matter is pending. Both our applications to transfer proceedings to Kuala Lumpur and for leave to file Rejoinder were dismissed by the Court with costs. Notice of pre-trial case management was filed by Yeng Chong but pending extraction. Mudek and Berembang has filed a stay of proceedings pending the outcome of hearing of related suits at the High Court. The Court has fixed for mention of the same on 27 April 2012.

- (vi) *IRB v Pujian*

The Government of Malaysia is claiming for tax assessment for the year 2004. The Plaintiff's application for summary judgement was allowed with costs on 6 August 2008. Pujian has since filed an appeal to the Court of Appeal against the decision which is pending fixture of hearing date. Pujian's appeal for the stay application was dismissed on 25 November 2010.

- (vii) *IRB v Tashima Development Sdn Bhd ("Tashima")*

IRB commenced action against Tashima for income tax outstanding for assessment years 2001 and 2002. The court has allowed the Plaintiff's summary judgement application on 12 February 2008. Tashima has since filed its appeal against the said decision which is pending fixture of date. Our stay of execution application was dismissed by the Senior Assistant Registrar and Tashima's appeal to the High Court in relation to the stay application has been dismissed.

- (viii) *IRB v Sawitani Sdn Bhd ("Sawitani")*

IRB filed a suit against Sawitani for real property gains tax outstanding for assessment year 2000. Sawitani has filed its statement of defence on 9 September 2008. IRB has filed an application for summary judgement which was allowed on 27 September 2011. A notice of Appeal was filed on 19 October 2011. The Court has fixed 15 May 2012 for hearing.

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

13. Dividend

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

14. Earnings/(Loss) Per Share

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

Basic earnings/(loss) per share	Current Quarter Ended	Comparative Quarter Ended	Cumulative Period To-Date	
	29-2-2012 (RM'000)	28-2-2011 (RM'000)	29-2-2012 (RM'000)	28-2-2011 (RM'000)
Earnings/(Loss) Net earnings/(loss) attributable to ordinary shareholders	(573)	7,956	2,550	2,411
Weighted average number of ordinary shares	('000) 650,148	('000) 650,148	('000) 650,148	('000) 650,148

15. Realised and Unrealised Profit/(Losses)

	Group	
	29-2-2012 RM'000	31-05-2011 RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(557,180)	(562,140)
- Unrealised	(2,357)	(2,357)
Add : Consolidation adjustments	55,507	57,917
Total Group accumulated losses as per consolidated accounts	<u>(504,030)</u>	<u>(506,580)</u>

24 April 2012