

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MAY 2012**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/5/2012 RM'000	Preceding Year Corresponding Quarter 31/5/2011 RM'000	Current Year To Date 31/5/2012 RM'000	Preceding Year Corresponding Period 31/5/2011 RM'000
Revenue	72,780	12,071	160,483	24,976
Cost of sales	(61,046)	(10,233)	(123,811)	(19,387)
Gross profit	11,734	1,838	36,672	5,589
Other income	26,291	14,582	27,993	50,527
Distribution costs	(4,482)	(305)	(7,803)	(499)
Administration expenses	(15,872)	(5,162)	(20,924)	(9,864)
Other expenses	(7,651)	(5,430)	(16,332)	(28,189)
Profit from operations	10,020	5,523	19,606	17,564
Finance costs	(1,368)	1,622	(4,197)	(8,112)
Net profit before tax	8,652	7,145	15,409	9,452
Income tax expense	(1,286)	(950)	(5,501)	(959)
Net profit for the period	7,366	6,195	9,908	8,493
Attributable to:				
Equity holders of the Company	7,479	6,349	10,029	8,760
Minority interests	(113)	(154)	(121)	(267)
Profit for the period	7,366	6,195	9,908	8,493
Other comprehensive income, net of tax				
Available-for-sales financial assets				
- Gain on fair value changes	(3,722)	(2,404)	425	3,420
Foreign currency translation differences for foreign operations	-	-	1	5
Total comprehensive income for the period	3,644	3,791	10,334	11,918
Total comprehensive income				
Attributable to:				
Equity holders of the Company	3,757	3,945	10,455	12,185
Minority interests	(113)	(154)	(121)	(267)
	3,644	3,791	10,334	11,918
Basic (loss)/earnings per ordinary share (sen)	1.15	0.98	1.54	1.35
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 31 MAY 2012**

	(Unaudited) 31.5.2012 RM'000	(Audited) 31.05.2011 RM'000
Non-current assets		
Property, plant and equipment	2,732	1,660
Investment properties	356,192	318,265
Available-for-sales financial assets	7,820	7,781
Deferred tax assets	226	226
Trade receivables	-	2,087
	<u>366,970</u>	<u>330,019</u>
Current assets		
Inventories	45	329
Property development costs	17,866	56,830
Trade receivables	19,442	7,484
Other receivables, deposits and prepayments	36,725	16,029
Tax recoverable	204	214
Fixed deposits with licensed banks	74	-
Cash and bank balances	1,845	3,451
	<u>76,201</u>	<u>84,337</u>
TOTAL ASSETS	<u>443,171</u>	<u>414,356</u>
Equity		
Share capital	325,074	325,074
Reserves	(195,996)	(206,452)
Equity attributable to shareholders of the Company	<u>129,078</u>	<u>118,622</u>
Minority interests	14,630	14,751
Total equity	<u>143,708</u>	<u>133,373</u>
Non-current liabilities		
Hire purchase liabilities	139	277
Long-term borrowings	96,428	104,644
Trade payables	750	1,653
Other payables and accruals	6,100	-
Tax payable	7,040	-
	<u>110,457</u>	<u>106,574</u>
Current liabilities		
Trade payables	33,494	23,302
Other payables and accruals	99,296	88,189
Hire purchase liabilities	137	190
Short-term borrowings	23,544	28,370
Tax payable	32,535	34,358
	<u>189,006</u>	<u>174,409</u>
TOTAL EQUITY AND LIABILITIES	<u>443,171</u>	<u>414,356</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.1985	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 31 MAY 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	-	-	425	-	1	10,029	10,456	(121)	10,335
Balance as at 31 May 2012	<u>325,074</u>	<u>295,727</u>	<u>4,815</u>	<u>-</u>	<u>12</u>	<u>(496,551)</u>	<u>129,078</u>	<u>14,630</u>	<u>143,708</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	-	-	970	-	-	254	1,224	-	1,224
As restated	<u>325,074</u>	<u>295,727</u>	<u>970</u>	<u>1,436</u>	<u>6</u>	<u>(516,776)</u>	<u>106,437</u>	<u>15,018</u>	<u>121,455</u>
Transfer	-	-	-	(1,436)	-	1,436	-	-	-
Total comprehensive income for the period	-	-	3,420	-	5	8,760	12,185	(267)	11,918
Balance as at 31 May 2011	<u>325,074</u>	<u>295,727</u>	<u>4,390</u>	<u>-</u>	<u>11</u>	<u>(506,580)</u>	<u>118,622</u>	<u>14,751</u>	<u>133,373</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 31 MAY 2012**

	Twelve months ended 31 May 2012 RM'000	Twelve months ended 31 May 2011 RM'000
Cash flows from/(used in) operating activities		
Profit before taxation	15,409	9,452
Adjustments for :		
- Non-cash items	1,297	655
- Non-operating items	<u>(13,671)</u>	<u>(10,136)</u>
Operating profit/(loss) before working capital changes	3,035	(29)
Changes in working capital		
- Inventories	70	44
- Trade and other receivables	(33,121)	(6,923)
- Trade and other payables	44,356	5,172
- Development costs	<u>1,494</u>	<u>(14,134)</u>
Cash generated from/(used in) operations	15,834	(15,870)
- Income tax refund/(paid)	<u>(274)</u>	<u>(12)</u>
Net cash generated from/(used in) operating activities	15,560	(15,882)
Cash flows from/(used in) investing activities		
- Acquisition of subsidiary/quoted investment	-	(3,666)
- Net dividend/interest received	11	311
- Proceeds from disposal of property, plant and equipment/ quoted investment	3,973	16
- Purchase of property, plant and equipment	<u>(2,155)</u>	<u>(501)</u>
Net cash used in investing activities	1,829	(3,840)
Cash flows from/(used in) financing activities		
- Interest paid	(3,696)	(69)
- Repayment of revolving credits - net	-	(413)
- Net (repayment of borrowings)/loan capitalisation	<u>(15,226)</u>	<u>(2,516)</u>
Net cash (used in)/generated from financing activities	(18,922)	(2,998)
Net decrease in cash and cash equivalents	(1,533)	(22,720)
Effects of exchange rate changes	1	-
Cash and cash equivalents at beginning of period	3,451	26,171
Cash and cash equivalents at end of period	1,919	3,451
Cash and cash equivalents comprise:		
	RM'000	RM'000
Cash and bank balances	1,845	3,451
Short term deposits	<u>74</u>	<u>-</u>
	1,919	3,451

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 31 MAY 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	160,592	23,526
Network Marketing	298	(856)
Construction	-	(343)
Investment and Others	1,316	(2,721)
	<u>162,206</u>	<u>19,606</u>
Elimination Inter-Group	(1,723)	-
Financing Costs	-	(4,197)
	<u>160,483</u>	<u>15,409</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 26 July 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 year ended 31 May 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.

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 RM160.5 million and profit before taxation of RM15.4 million for the financial year ended 31 May 2012, an improvement of 543% and 63% respectively, as compared to the preceding year. Contribution was mainly from the commercial development project and property investment activities.

2. Variation of Results against Preceding Quarter

The Group recorded a profit before tax of RM8.6 million in the current quarter, compared to RM1.9 million in the preceding quarter. Profit for the current quarter was higher than the preceding quarter mainly due to the completion of first phase of commercial development project in Ipoh and realisation of the Group's development rights of its property in Seri Kembangan, Selangor.

3. Next Financial Year's Prospects

The Group's commercial development project in Ipoh, Perak targets to complete its second phase development consisting of 147 units of shop offices in the next financial year which will contribute positively to the Group's performance.

Contribution from 1Segamat Mall will come on stream substantially in the next financial year as the newly constructed retail mall in Segamat, Johor is now fully operational with tenancy rates currently reaching 90% and increasing. 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.

Going forward and with the completion and opening of 1Segamat Mall, the Group will be undertaking an internal rationalization exercise of its two retail malls, namely 1Segamat Mall and South City Plaza, with the objective of enhancing and strengthening the Group's balance sheet and long term business performance.

Iron ore production has commenced albeit at a lower pace than anticipated. With the softening of global iron ore prices and the introduction of export taxes by the Indonesian authorities, the Company expects a challenging year ahead for this division and on a prudent basis, has made a fifty percent provision for its mining investment cost for the financial year ended 31 May 2012.

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 31-May-12 RM'000	Comparative Quarter Ended 31-May-11 RM'000	12 months cumulative 31-May-12 RM'000	12 months cumulative 31-May-11 RM'000
Profit before taxation is arrived at after charging/(crediting) :				
Interest income	(6)	(44)	(12)	(339)
Loss/(Gain) on disposal of quoted investments	3,722	-	(425)	-
Interest expense	1,368	1,622	4,197	8,112
Depreciation of property, plant and equipment	194	179	595	655
Impairment losses on property, plant and equipment	-	-	270	1,230
	<u>-</u>	<u>-</u>	<u>270</u>	<u>1,230</u>

6. Income Tax Expense

	Current Quarter Ended 31 May 2012 RM'000	Cumulative Year To-Date 31 May 2012 RM'000
Current income tax :		
- Malaysian tax	<u>1,286</u>	<u>5,501</u>

7. Unquoted Investments and Properties

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

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

8. Purchase or Disposal of Quoted Investments

(a) During the period, the Company disposed 2,970,500 shares in Meda Inc. Berhad for a purchase consideration of RM2,326,400. The Group recorded a net loss on disposal of quoted investment amounting to RM168,820 in its statement of comprehensive income.

(b) Total investments in quoted securities as at 31 May 2012 are as follows :

	RM'000
(i) At cost	14,197
(ii) At carrying value	6,308
(iii) At market value	6,308

9. Status of Corporate Proposals Announced

There are no corporate proposals which has been announced by the Company but not completed as at 26 July 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 31 May 2012 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long-Term Borrowings			
Amount repayable after twelve months	95,428	-	95,428
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>95,428</u>	<u>1,000</u>	<u>96,428</u>
Short-Term Borrowings			
Current portion of long term borrowings	23,544	-	23,544
	<u>23,544</u>	<u>-</u>	<u>23,544</u>

11. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 26 July 2012 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

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

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 26 July 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 and dismissed the action against the 2nd Defendant. The Plaintiff and the 1st Defendant filed an appeal against the said decision which is pending hearing date.

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

- (ii) *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 8 August 2012.

- (iii) *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 but was dismissed with cost on 28 May 2012.

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

12. Changes in Material Litigation (Cont'd)

- (iii) *The Government of Malaysia (Inland Revenue Board) (“IRB”) v 2 Subsidiary companies, Mudek Sdn Bhd (“Mudek”), and Berembang Sdn Bhd (“Berembang”) in individual cases. (Cont'd)*

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 9 October 2012.

- (iv) *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 case management on 30 August 2012.

- (v) *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 filed an appeal to the Court of Appeal against the decision which was dismissed on 11 November 2011. In respect of tax assessment for the years 1998-2000 and 1999(Tambahan), IRB has sent Notices of Demand of which Pujian has requested for instalment payments which has been agreed for the years 1998-2000 and pending for the year 1999 (Tambahan).

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

12. Changes in Material Litigation (Cont'd)

(vi) *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. In respect of tax assessment for the year 2000, IRB has sent a Notice of Demand of which Tashima has requested for instalment payment.

(vii) *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 of Appeal dismissed our appeal on 15 May 2012 with cost.

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	
	31-5-2012	31-5-2011	31-5-2012	31-5-2011
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Earnings/(Loss) Net earnings/(loss) attributable to ordinary shareholders	7,479	6,349	10,029	8,760
Weighted average number of ordinary shares	('000) 650,148	('000) 650,148	('000) 650,148	('000) 650,148

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

15. Realised and Unrealised Profit/(Losses)

	Group	
	31-May-12	31-05-2011
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(567,753)	(562,140)
- Unrealised	20,061	(2,357)
Add : Consolidation adjustments	51,141	57,917
Total Group accumulated losses as per consolidated accounts	<u>(496,551)</u>	<u>(506,580)</u>

31 July 2012