

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

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/8/2012 RM'000	31/8/2011 RM'000	31/8/2012 RM'000	31/8/2011 RM'000
Revenue	27,147	14,924	27,147	14,924
Cost of sales	(17,356)	(10,151)	(17,356)	(10,151)
Gross profit	9,791	4,773	9,791	4,773
Other income	1,398	1,341	1,398	1,341
Distribution costs	(274)	(177)	(274)	(177)
Administration expenses	(1,513)	(1,678)	(1,513)	(1,678)
Other expenses	(1,069)	(936)	(1,069)	(936)
Profit from operations	8,333	3,323	8,333	3,323
Finance costs	(1,369)	(667)	(1,369)	(667)
Net profit before tax	6,964	2,656	6,964	2,656
Income tax expense	(1,782)	(633)	(1,782)	(633)
Net profit for the period	5,182	2,023	5,182	2,023
Attributable to:				
Equity holders of the Company	5,224	2,025	5,224	2,025
Minority interests	(42)	(2)	(42)	(2)
Profit for the period	5,182	2,023	5,182	2,023
Other comprehensive income, net of tax				
Available-for-sales financial assets				
- Loss on fair value changes	(978)	(1,249)	(978)	(1,249)
Foreign currency translation differences for foreign operations	2	1	2	1
Total comprehensive income for the period	4,206	775	4,206	775
Total comprehensive income				
Attributable to:				
Equity holders of the Company	4,248	777	4,248	777
Minority interests	(42)	(2)	(42)	(2)
	4,206	775	4,206	775
Basic earnings per ordinary share (sen)	0.80	0.31	0.80	0.31
Diluted earnings 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 2012.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 AS AT 31 AUG 2012**

	(Unaudited) 31/8/2012 RM'000	(Audited) 31/5/2012 RM'000
Non-current assets		
Property, plant and equipment	3,008	2,732
Investment properties	356,192	356,192
Available-for-sales financial assets	6,380	7,820
	<u>365,580</u>	<u>366,744</u>
Current assets		
Inventories	114	44
Property development costs	11,497	17,866
Trade receivables	30,138	43,039
Other receivables, deposits and prepayments	17,300	10,109
Tax recoverable	515	515
Fixed deposits with licensed banks	114	-
Cash and bank balances	3,140	1,845
	<u>62,818</u>	<u>73,418</u>
TOTAL ASSETS	<u>428,398</u>	<u>440,162</u>
Equity		
Share capital	325,074	325,074
Reserves	(190,858)	(195,106)
Equity attributable to shareholders of the Company	<u>134,216</u>	<u>129,968</u>
Minority interests	<u>13,996</u>	<u>14,038</u>
Total equity	<u>148,212</u>	<u>144,006</u>
Non-current liabilities		
Hire purchase liabilities	233	139
Long-term borrowings	94,902	96,458
Trade payables	3,715	3,715
Other payables and accruals	6,100	6,100
Tax payable	7,040	7,040
	<u>111,990</u>	<u>113,452</u>
Current liabilities		
Trade payables	26,661	30,529
Other payables and accruals	92,291	96,202
Hire purchase liabilities	115	137
Short-term borrowings	16,502	23,514
Tax payable	32,627	32,322
	<u>168,196</u>	<u>182,704</u>
TOTAL EQUITY AND LIABILITIES	<u>428,398</u>	<u>440,162</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.2064	0.1999

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2012.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUG 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 2012	325,074	295,727	4,820	-	7	(495,660)	129,968	14,038	144,006
Total comprehensive income for the period	-	-	(978)	-	2	5,224	4,248	(42)	4,206
Balance as at 31 Aug 2012	<u>325,074</u>	<u>295,727</u>	<u>3,842</u>	<u>-</u>	<u>9</u>	<u>(490,436)</u>	<u>134,216</u>	<u>13,996</u>	<u>148,212</u>
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	-	-	(1,249)	-	1	2,025	777	(2)	775
Balance as at 31 Aug 2011	<u>325,074</u>	<u>295,727</u>	<u>3,141</u>	<u>-</u>	<u>12</u>	<u>(504,555)</u>	<u>119,399</u>	<u>14,749</u>	<u>134,148</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 2012.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 AUG 2012**

	Three months ended 31/8/2012 RM'000	Three months ended 31/8/2011 RM'000
Cash flows from/(used in) operating activities		
Profit before taxation	6,964	2,656
Adjustments for :		
- Non-cash items	279	313
- Non-operating items	212	1,109
Operating profit/(loss) before working capital changes	7,455	4,078
Changes in working capital		
- Inventories	(86)	(36)
- Trade and other receivables	5,721	7,787
- Trade and other payables	(7,779)	2,248
- Development costs	6,369	(8,624)
Cash generated from operations	11,680	5,453
- Income tax paid	(1,477)	(3)
Net cash generated from operating activities	10,203	5,450
Cash flows from/(used in) investing activities		
- Net dividend/interest received	2	2
- Additional Investment Properties	-	(5,423)
- Proceeds from disposal of property, plant and equipment/ quoted investment	1,617	1,642
- Purchase of property, plant and equipment	(423)	(253)
Net cash generated from/(used in) investing activities	1,196	(4,032)
Cash flows from/(used in) financing activities		
- Interest paid	(1,369)	(623)
- Net repayment of hire purchase	(55)	(57)
- Net repayment of borrowings/loan capitalisation	(8,568)	(968)
Net cash used in financing activities	(9,992)	(1,648)
Net increase/(decrease) in cash and cash equivalents	1,407	(230)
Effects of exchange rate changes	2	1
Cash and cash equivalents at beginning of period	1,845	3,451
Cash and cash equivalents at end of period	3,254	3,222
Cash and cash equivalents comprise:		
	RM'000	RM'000
Cash and bank balances	3,140	3,222
Short term deposits	114	-
	3,254	3,222

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2012.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 AUG 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 2012 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 2012. 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 2012.

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 May 2012.

3. Qualification of Audit Report

The audit report of the financial statement of the Group for the financial year ended 31 May 2012 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.

A. DISCLOSURE REQUIREMENTS AS PER FRS 134

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	27,153	7,732
Construction	-	(156)
Investment and Others	318	757
	<u>27,471</u>	<u>8,333</u>
Elimination Inter-Group	(324)	-
Financing Costs	-	(1,369)
	<u>27,147</u>	<u>6,964</u>

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 18 October 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 Aug 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 disposal of the Group's entire equity interest in wholly owned subsidiary, SCP Management Sdn Bhd for a total cash consideration of RM1,000.

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 RM27.1 million and profit before taxation of RM7.0 million for the financial period ended 31 Aug 2012, an improvement of 81.9% and 162.2% respectively, as compared to the preceding reporting period. 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 RM7.0 million in the current quarter, compared to RM10.0 million in the preceding quarter. Profit for the preceding quarter was higher than this quarter mainly due to the net effect of gain on fair value adjustment on investment property.

3. Current 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 this financial year which will contribute positively to the Group's performance.

The newly opened 1Segamat Mall in Segamat, Johor has commenced rental income contribution in the current period with occupancy currently at 95% and expected to reach full occupancy by the end of 2012. Together with the Group's other retail mall in Seri Kembangan, Selangor i.e South City Plaza, rental income derived from these two investment properties will form a substantial source of recurring income for the Group.

The Group is reviewing the prospect of the mining division in view of softening global iron ore prices, introduction of export taxes and implementation of downstream activities imposed by the Indonesian government.

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 31/8/2012 RM'000	Comparative Quarter Ended 31/8/2011 RM'000	3 months cumulative 31/8/2012 RM'000	3 months cumulative 31/8/2011 RM'000
Profit before taxation is arrived at after charging/(crediting) :				
Interest income	(2)	(2)	(2)	(2)
Other income including investment income				
- Gain on disposal of quoted investments	(1,155)	(1,050)	(1,155)	(1,050)
- Gain on disposal of subsidiary	(175)	-	(175)	-
- Other income	(66)	(289)	(66)	(289)
Interest expense	1,369	667	1,369	667
Depreciation of property, plant and equipment	212	313	212	313
Provision for and write off of receivables	-	-	-	-
Provision for and write off inventories	16	-	16	-
Foreign exchange loss	1	1	1	1
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-
Impairment losses on property, plant and equipment	-	270	-	270

6. Income Tax Expense

	Current Quarter Ended 31/8/2012 RM'000	Cumulative Year To-Date 31/8/2012 RM'000
Current income tax :		
- Malaysian tax	1,782	1,782

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

7. Status of Corporate Proposals Announced

There are no corporate proposals which has been announced by the Company but not completed as at 18 October 2012 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

8. Group Borrowings and Debt Securities

Total Group borrowings as at 31 Aug 2012 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long-Term Borrowings			
Amount repayable after twelve months	93,902	-	93,902
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>93,902</u>	<u>1,000</u>	<u>94,902</u>
Short-Term Borrowings			
Current portion of long term borrowings	16,502	-	16,502
	<u>16,502</u>	<u>-</u>	<u>16,502</u>

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

9. Changes in Material Litigation

Further to the disclosure in the previous quarter's report on material litigation, the changes in material litigation as at 18 October 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 21 November 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

9. 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's application to re-instate the summons was allowed on 9 October 2012. The date of trial has yet to be fixed. At the same time, Berembang will be filing a Notice of Appeal and stay of proceedings.

- (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. Both our applications to transfer proceedings to Kuala Lumpur and for leave to file Rejoinder were dismissed by the Court with costs. We filed the application to strike out the Plaintiff's claim and it is now fixed for hearing on 17 December 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

9. 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.

10. Dividend

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

11. Earnings Per Share

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

Basic earnings per share	Current Quarter Ended	Comparative Quarter Ended	Cumulative Period To-Date	
	31/8/2012	31/8/2011	31/8/2012	31/8/2011
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Earnings				
Net earnings attributable to ordinary shareholders	5,224	2,025	5,224	2,025
	('000)	('000)	('000)	('000)
Weighted average number of ordinary shares	650,148	650,148	650,148	650,148

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

12. Realised and Unrealised Profit/(Losses)

	Group	
	31/8/2012	31/8/2011
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(539,715)	(560,115)
- Unrealised	(13,731)	(2,357)
Add : Consolidation adjustments	63,010	57,917
Total Group accumulated losses as per consolidated accounts	<u>(490,436)</u>	<u>(504,555)</u>

22 October 2012