

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MAY 2013**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter  31/5/2013 RM'000	Preceding Year Corresponding Quarter 31/5/2012 RM'000	Current Year To Date  31/5/2013 RM'000	Preceding Year Corresponding Period 31/5/2012 RM'000
<b>Revenue</b>	<b>10,838</b>	72,780	<b>75,964</b>	160,483
Cost of sales	<b>(5,586)</b>	(62,597)	<b>(46,707)</b>	(125,362)
Gross profit	<b>5,252</b>	10,183	<b>29,257</b>	35,121
Other income	<b>29,536</b>	26,291	<b>34,579</b>	27,993
Distribution costs	<b>(523)</b>	(4,482)	<b>(1,716)</b>	(7,803)
Administration expenses	<b>(8,251)</b>	(14,321)	<b>(13,558)</b>	(19,373)
Other expenses	<b>(12,435)</b>	(5,322)	<b>(15,621)</b>	(14,003)
<b>Profit from operations</b>	<b>13,579</b>	12,349	<b>32,941</b>	21,935
Finance costs	<b>(1,941)</b>	(3,696)	<b>(6,554)</b>	(6,525)
<b>Net profit before tax</b>	<b>11,638</b>	8,653	<b>26,387</b>	15,410
Income tax expense	<b>212</b>	(988)	<b>(3,323)</b>	(5,203)
<b>Net profit for the period</b>	<b>11,850</b>	7,665	<b>23,064</b>	10,207
Attributable to:				
Equity holders of the Company	<b>12,126</b>	8,370	<b>23,428</b>	10,920
Minority interests	<b>(276)</b>	(705)	<b>(364)</b>	(713)
<b>Profit for the period</b>	<b>11,850</b>	7,665	<b>23,064</b>	10,207
<b>Other comprehensive (loss)/income, net of tax</b>				
Available-for-sales financial assets				
- (Loss)/Gain on fair value changes	<b>(862)</b>	(478)	<b>(3,982)</b>	3,669
- Reclassification adjustments relating to derecognition	-	(3,239)	-	(3,239)
Foreign currency translation differences for foreign operations	-	(5)	<b>3</b>	(4)
<b>Total comprehensive income for the period</b>	<b>10,988</b>	3,943	<b>19,085</b>	10,633
<b>Total comprehensive income</b>				
Attributable to:				
Equity holders of the Company	<b>11,264</b>	4,648	<b>19,449</b>	11,346
Minority interests	<b>(276)</b>	(705)	<b>(364)</b>	(713)
	<b>10,988</b>	3,943	<b>19,085</b>	10,633
Basic earnings/(loss) per ordinary share (sen)	<b>1.87</b>	1.29	<b>3.60</b>	1.68
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 MAY 2013**

	(Unaudited) 31/5/2013 RM'000	(Audited) 31/5/2012 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	5,237	2,732
Investment properties	381,379	356,192
Available-for-sales financial assets	2,381	7,820
	<u>388,997</u>	<u>366,744</u>
<b>Current assets</b>		
Inventories	9	44
Property development costs	4,275	17,866
Trade receivables	3,766	43,039
Other receivables, deposits and prepayments	5,415	10,109
Tax recoverable	329	515
Fixed deposits with licensed banks	690	-
Cash and bank balances	845	1,845
	<u>15,329</u>	<u>73,418</u>
<b>TOTAL ASSETS</b>	<u>404,326</u>	<u>440,162</u>
<b>Equity</b>		
Share capital	325,074	325,074
Reserves	(175,657)	(195,106)
<b>Equity attributable to shareholders of the Company</b>	<u>149,417</u>	<u>129,968</u>
<b>Minority interests</b>	<u>13,674</u>	<u>14,038</u>
Total equity	<u>163,091</u>	<u>144,006</u>
<b>Non-current liabilities</b>		
Hire purchase liabilities	353	139
Long-term borrowings	87,850	96,458
Trade payables	1,627	3,715
Other payables and accruals	6,100	6,100
Tax payable	7,040	7,040
	<u>102,970</u>	<u>113,452</u>
<b>Current liabilities</b>		
Trade payables	16,861	30,529
Other payables and accruals	84,066	96,202
Hire purchase liabilities	89	137
Short-term borrowings	7,666	23,514
Tax payable	29,583	32,322
	<u>138,265</u>	<u>182,704</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>404,326</u>	<u>440,162</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.2298	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 MAY 2013**

	Share capital RM'000	Share premium RM'000	Fair value adjustment 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	-	-	(3,982)	3	23,428	19,449	(364)	19,085
Balance as at 31 May 2013	<u>325,074</u>	<u>295,727</u>	<u>838</u>	<u>10</u>	<u>(472,232)</u>	<u>149,417</u>	<u>13,674</u>	<u>163,091</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	-	-	430	(4)	10,920	11,346	(713)	10,633
Balance as at 31 May 2012	<u>325,074</u>	<u>295,727</u>	<u>4,820</u>	<u>7</u>	<u>(495,660)</u>	<u>129,968</u>	<u>14,038</u>	<u>144,006</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 MAY 2013**

	<b>12 months ended 31/5/2013 RM'000</b>	12 months ended 31/5/2012 RM'000
<b>Cash flows from/(used in) operating activities</b>		
Profit before taxation	26,387	15,410
Adjustments for :		
- Non-cash items	910	595
- Non-operating items	<u>(11,989)</u>	<u>(12,167)</u>
<b>Operating profit before working capital changes</b>	<b>15,308</b>	<b>3,838</b>
<b>Changes in working capital</b>		
- Inventories	(23)	124
- Trade and other receivables	39,721	(29,566)
- Trade and other payables	(33,032)	19,375
- Development costs	<u>13,591</u>	<u>38,964</u>
<b>Cash generated from operations</b>	<b>35,565</b>	<b>32,735</b>
- Income tax paid	<u>(5,876)</u>	<u>(274)</u>
<b>Net cash generated from operating activities</b>	<b>29,689</b>	<b>32,461</b>
<b>Cash flows from/(used in) investing activities</b>		
- Increase in investment properties	(1,314)	(15,911)
- Purchase of quoted investments	(48)	(21)
- Net dividend/interest received	26	20
- Proceeds from disposal of property, plant and equipment/ quoted investment	5,941	3,992
- Purchase of property, plant and equipment	<u>(3,281)</u>	<u>(2,173)</u>
<b>Net cash generated from/(used in) investing activities</b>	<b>1,324</b>	<b>(14,093)</b>
<b>Cash flows from/(used in) financing activities</b>		
- Interest paid	(5,403)	(4,197)
- Net repayment of borrowings/loan capitalisation	<u>(25,923)</u>	<u>(15,773)</u>
<b>Net cash used in financing activities</b>	<b>(31,326)</b>	<b>(19,970)</b>
Net decrease in cash and cash equivalents	(313)	(1,602)
Effects of exchange rate changes	3	(4)
Cash and cash equivalents at beginning of period	1,845	3,451
<b>Cash and cash equivalents at end of period</b>	<b>1,535</b>	<b>1,845</b>
Cash and cash equivalents comprise:		
	<b>RM'000</b>	RM'000
Cash and bank balances	845	1,845
Short term deposits	<u>690</u>	<u>-</u>
	<b>1,535</b>	<b>1,845</b>

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 MAY 2013**

**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.

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 statements 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	75,958	37,094
Construction	-	(2,535)
Investment and Others	1,398	(1,618)
	<u>77,356</u>	<u>32,941</u>
Elimination Inter-Group	(1,392)	-
Financing Costs	-	(6,554)
	<u>75,964</u>	<u>26,387</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 23 July 2013 (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 2013.

**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**

The following contingent liabilities have not been provided for in the financial statements, as it is not anticipated that any material liabilities will arise from these contingencies:

	31/5/2013 RM'000
Bank guarantee issued for utility companies	<u>511</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's revenue for the current quarter at RM10.8 million was 85% lower than the preceding year corresponding quarter mainly due to the substantial completion of the commercial development project in Ipoh, Perak and the development of the two blocks of service apartments constructed on top of the Group's mall in Seri Kembangan, Selangor in the previous year.

The Group's profit before tax for the current quarter at RM11.6 million was 34% higher than the preceding year corresponding quarter primarily due to lower net operational expenses and lower finance costs.

Overall the Group's profit before tax for the current year to date at RM26.4 million was 71% higher than the preceding year corresponding period. The increase in profit before tax was primarily due to lower tax penalty interests, gains on fair value adjustments on investment property and gains on disposal of quoted investments as compared to previous year.

**2. Variation of Results against Preceding Quarter**

The Group recorded a profit before tax of RM11.6 million in the current quarter, compared to RM2.2 million in the preceding quarter. Profit for the current quarter increased by RM9.4 million from the preceding quarter mainly due to fair value adjustments on investment property of RM24.8 million, the effect of which was mitigated by provisions made for doubtful debts, legal contingencies and tax penalty interests.

**3. Next Financial Year's Prospects**

The Group's retail mall in Segamat, Johor is operating at full occupancy. Together with the Group's other 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 Group has successfully completed the commercial development project in Ipoh, Perak ahead of the scheduled delivery date. We are now negotiating to secure new property projects to further contribute to the Group's financial performance.

The Group will in the next financial year focus on securing new development land yielding good returns and continuing to upgrade and improve the yield of the Group's two existing retail malls.

**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 31/5/2013 RM'000	Comparative Quarter Ended 31/5/2012 RM'000	12 months cumulative 31/5/2013 RM'000	12 months cumulative 31/5/2012 RM'000
Profit before taxation is arrived at after charging/(crediting) :				
Interest income	(6)	(2)	(26)	(8)
(Gain)/loss on disposal of quoted investments	(837)	(3,071)	(4,263)	(3,000)
Gain on disposal of subsidiary	-	-	(175)	-
Finance costs				
- Interest expense	1,403	1,368	5,403	4,197
- Amortisation of financial liabilities carried at amortised cost	538	2,328	1,151	2,328
Depreciation of property, plant and equipment	262	194	910	595
Provision for and write off of receivables	5,144	3,408	5,144	3,408
Provision for and write off of inventories	102	161	118	161
Writeback of provision for receivables	(2,600)	(766)	(3,101)	(766)
Foreign exchange (gain)/loss	1	-	3	(4)
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-
Impairment losses on property, plant and equipment	203	-	203	270

**6. Income Tax Expense**

	Current Quarter Ended 31/5/2013 RM'000	Cumulative Year To-Date 31/5/2013 RM'000
Current income tax :		
- Malaysian tax	(212)	3,323



**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 have been announced by the Company but not completed as at 23 July 2013 (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 May 2013 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Long-Term Borrowings</b>			
Amount repayable after twelve months	86,850	-	86,850
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>86,850</u>	<u>1,000</u>	<u>87,850</u>
<b>Short-Term Borrowings</b>			
Current portion of long term borrowings	7,666	-	7,666
	<u>7,666</u>	<u>-</u>	<u>7,666</u>
Total Group Borrowings	<u>94,516</u>	<u>1,000</u>	<u>95,516</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 23 July 2013 (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 1<sup>st</sup> Defendant. The matter was reinstated in the High Court and fixed for full trial. However, as a winding up order was made against the 1<sup>st</sup> 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 1<sup>st</sup> Defendant and dismissed the action against the 2<sup>nd</sup> Defendant. The Plaintiff has on 20 December 2012 served the Notice of Demand pursuant to Section 218 on the 1<sup>st</sup> Defendant. The 1<sup>st</sup> Defendant filed an application for stay of execution which was dismissed on 25 April 2013. The Plaintiff's appeal is fixed for hearing on 28 October 2013 and the 1<sup>st</sup> Defendant's appeal is fixed for hearing on 28 November 2013.

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 Development Sdn Bhd ("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 case management on 27 September 2013 and hearing of the assessment on 23 October 2013.

**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.*

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 to the Court of Appeal was allowed on 25 February 2013. The case is now referred to the High Court and is fixed for case management on 1 August 2013. IRB's leave to appeal to the Federal Court is fixed for hearing on 27 August 2013.

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. Berembang's application for stay of proceedings and appeal against the decision was dismissed on 24 April 2013 and 20 June 2013 respectively.

- (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. Our application to strike out the Plaintiff's claim was dismissed and we have filed an appeal to the Court of Appeal. The case is now fixed for trial at the High Court on 12 and 14 August 2013.

**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)**

(v) *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's appeal against the said decision was dismissed on 18 July 2013. 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 commenced instalment payments towards the outstanding income tax.

(vi) *IRB v Pujian*

IRB has obtained summary judgement for four separate legal suits against Pujian for outstanding income tax for assessment years 1998 – 2000, 2001 and 2004 including penalties. Pujian's appeals have been dismissed by the Courts. Pujian has commenced instalment payments towards the outstanding income tax.

(vii) *IRB v Sawitani Sdn Bhd ("Sawitani")*

IRB filed a suit against Sawitani for real property gains tax outstanding for assessment year 2000. IRB filed an application for summary judgement which was allowed on 27 September 2011. Sawitani's appeal to the Court of Appeal was dismissed on 15 May 2012.

**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.

<i>Basic earnings per share</i>	Current Quarter Ended	Comparative Quarter Ended	Cumulative Period To-Date	
	31/5/2013	31/5/2012	31/5/2013	31/5/2012
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Earnings</b>				
Net earnings attributable to ordinary shareholders	12,126	8,370	23,428	10,920
	('000)	('000)	('000)	('000)
<b>Weighted average number of ordinary shares</b>	650,148	650,148	650,148	650,148

## 12. Realised and Unrealised Profit/(Losses)

	Group	
	31/5/2013	31/5/2012
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(521,511)	(566,863)
- Unrealised	(13,731)	20,062
Add : Consolidation adjustments	63,010	51,141
Total Group accumulated losses as per consolidated accounts	<u>(472,232)</u>	<u>(495,660)</u>

25 July 2013