

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

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/8/2013 RM'000	Preceding Year Corresponding Quarter 31/8/2012 RM'000	Current Year To Date 31/8/2013 RM'000	Preceding Year Corresponding Period 31/8/2012 RM'000
Revenue	7,928	27,147	7,928	27,147
Cost of sales	(3,846)	(17,356)	(3,846)	(17,356)
Gross profit	4,082	9,791	4,082	9,791
Other operating income	21,049	1,398	21,049	1,398
Distribution costs	(123)	(274)	(123)	(274)
Administration expenses	(1,976)	(1,513)	(1,976)	(1,513)
Other operating expenses	(435)	(1,069)	(435)	(1,069)
Profit from operations	22,597	8,333	22,597	8,333
Finance costs	(1,253)	(1,369)	(1,253)	(1,369)
Net profit before tax	21,344	6,964	21,344	6,964
Income tax expense	(271)	(1,782)	(271)	(1,782)
Net profit for the period	21,073	5,182	21,073	5,182
Attributable to:				
Owners of the Company	21,088	5,224	21,088	5,224
Non-controlling interests	(15)	(42)	(15)	(42)
Profit for the period	21,073	5,182	21,073	5,182
Other comprehensive income/(loss), net of tax				
Available-for-sale financial assets				
- Gain/(Loss) on fair value changes	8	(978)	8	(978)
- Reclassification adjustments relating to derecognition	-	-	-	-
Exchange differences on translation of financial statements of foreign subsidiaries	(3)	2	(3)	2
Total comprehensive income for the period	21,078	4,206	21,078	4,206
Total comprehensive income for the period				
Attributable to:				
Owners of the Company	21,093	4,248	21,093	4,248
Non-controlling interests	(15)	(42)	(15)	(42)
	21,078	4,206	21,078	4,206
Basic earnings/(loss) per ordinary share (sen)	3.24	0.80	3.24	0.80
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 2013.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2013**

	(Unaudited) 31/8/2013 RM'000	(Audited) 31/5/2013 RM'000
Non-current assets		
Plant and equipment	5,194	5,237
Investment properties	380,522	380,676
Other financial assets	2,339	2,321
	<u>388,055</u>	<u>388,234</u>
Current assets		
Inventories	11	9
Property development costs	3,646	5,309
Trade receivables	4,898	5,808
Other receivables, deposits and prepayments	1,174	2,016
Tax recoverable	329	329
Fixed deposit with a licensed bank	511	511
Cash and bank balances	2,126	845
	<u>12,695</u>	<u>14,827</u>
TOTAL ASSETS	<u>400,750</u>	<u>403,061</u>
Equity		
Share capital	325,074	325,074
Reserves	(153,714)	(174,807)
Equity attributable to owners of the Company	<u>171,360</u>	<u>150,267</u>
Non-controlling interests	<u>13,513</u>	<u>13,528</u>
Total equity	<u>184,873</u>	<u>163,795</u>
Non current liabilities		
Hire purchase liabilities	330	353
Borrowings	69,919	89,080
Trade payables	590	716
	<u>70,839</u>	<u>90,149</u>
Current liabilities		
Trade payables	11,586	17,761
Other payables and accruals	89,891	88,593
Hire purchase liabilities	90	89
Borrowings	7,764	6,436
Tax payable	35,707	36,238
	<u>145,038</u>	<u>149,117</u>
TOTAL EQUITY AND LIABILITIES	<u>400,750</u>	<u>403,061</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.2636	0.2311

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2013.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 AUGUST 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	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance as at 1 June 2013	325,074	295,727	838	10	(471,382)	150,267	13,528	163,795
Net profit for the period	-	-	-	-	21,088	21,088	(15)	21,073
Other comprehensive income for the period	-	-	8	(3)	-	5	-	5
Total comprehensive income for the period	-	-	8	(3)	21,088	21,093	(15)	21,078
Balance as at 31 August 2013	<u>325,074</u>	<u>295,727</u>	<u>846</u>	<u>7</u>	<u>(450,294)</u>	<u>171,360</u>	<u>13,513</u>	<u>184,873</u>
Balance as at 1 June 2012	325,074	295,727	4,820	7	(495,660)	129,968	14,038	144,006
Net profit for the period	-	-	-	-	5,224	5,224	(42)	5,182
Other comprehensive loss for the period	-	-	(978)	2	-	(976)	-	(976)
Total comprehensive income for the period	-	-	(978)	2	5,224	4,248	(42)	4,206
Balance as at 31 August 2012	<u>325,074</u>	<u>295,727</u>	<u>3,842</u>	<u>9</u>	<u>(490,436)</u>	<u>134,216</u>	<u>13,996</u>	<u>148,212</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 2013.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
 FOR THE PERIOD ENDED 31 AUGUST 2013**

	3 months ended 31/8/2013 RM'000	3 months ended 31/8/2012 RM'000
Cash flows from/(used in) operating activities		
Profit before taxation	21,344	6,964
Adjustments for :		
- Non-cash items	242	212
- Non-operating items	(19,680)	279
Operating profit before working capital changes	1,906	7,455
Changes in working capital		
- Inventories	(2)	(86)
- Trade and other receivables	6,663	5,721
- Trade and other payables	(5,006)	(7,779)
- Development costs	1,817	6,369
Cash generated from operations	5,378	11,680
- Income tax paid	(802)	(1,477)
Net cash generated from operating activities	4,576	10,203
Cash flows from/(used in) investing activities		
- Net dividend/interest received	15	2
- Proceeds from disposal of plant and equipment/ quoted investment	-	1,617
- Purchase of plant and equipment	(199)	(423)
Net cash (used in)/generated from investing activities	(184)	1,196
Cash flows from/(used in) financing activities		
- Interest paid	(1,253)	(1,369)
- Net repayment of hire purchase	(22)	(55)
- Net repayment of borrowings/loan capitalisation	(1,833)	(8,568)
Net cash used in financing activities	(3,108)	(9,992)
Net increase in cash and cash equivalents	1,284	1,407
Effects of exchange rate changes	(3)	2
Cash and cash equivalents at beginning of period	845	1,845
Cash and cash equivalents at end of period	2,126	3,254
Cash and cash equivalents comprise:		
	RM'000	RM'000
Cash and bank balances	2,126	3,140
Fixed deposit with a licensed bank	511	114
	2,637	3,254
Less : Fixed deposit pledged	(511)	-
	2,126	3,254

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2013.

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 AUGUST 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 2013 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 2013. 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 2013.

2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 May 2013.

3. Qualification of Audit Report

The audit report of the financial statements of the Group for the financial year ended 31 May 2013 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 Tax RM'000
Property Management / Investment / Development	7,719	22,767
Construction	-	251
Investment and Others	547	(421)
	<u>8,266</u>	<u>22,597</u>
Elimination Inter-Group	(338)	-
Financing Costs	-	(1,253)
	<u>7,928</u>	<u>21,344</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 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 period ended 31 August 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:

	31/8/2013 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 RM7.9 million was 71% lower than the preceding year corresponding quarter of RM27.1 million mainly due to the substantial completion of the commercial development project in Ipoh, Perak.

The Group's profit before tax for the current quarter however was much higher at RM21.3 million as compared to RM7.0 million in the preceding year corresponding quarter primarily due to a waiver of term loan liabilities amounting to RM16.0 million granted to its subsidiary, Pujian Development Sdn Bhd upon fulfilment of its loan settlement conditions pursuant to its restructuring agreement with the financier.

2. Variation of Results against Preceding Quarter

The Group recorded a profit before tax of RM21.3 million in the current quarter, compared to RM11.6 million in the preceding quarter. Profit for the current quarter was higher by RM9.7 million from the preceding quarter as the preceding quarter included provisions made for litigation damages and allowance for doubtful debts. On the otherhand, the current quarter included writeback of provision for receivables due to recoverability of debts.

3. Current Year's Prospects

Rental income derived from the Group's two retail malls in Seri Kembangan, Selangor and Segamat, Johor will form a substantial source of recurring income for the Group.

The Group is in advance stages of negotiation to secure new property development projects to further contribute to the Group's financial performance.

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 31/8/2013 RM'000	Comparative Quarter Ended 31/8/2012 RM'000	3 months cumulative 31/8/2013 RM'000	3 months cumulative 31/8/2012 RM'000
Profit before taxation is arrived at after charging/(crediting) :				
Interest income	(4)	(2)	(4)	(2)
Gain on disposal of quoted investments	-	(1,155)	-	(1,155)
Gain on disposal of subsidiary	-	(175)	-	(175)
Other income	-	(66)	-	(66)
Finance costs				
- Interest expense	1,253	1,369	1,253	1,369
- Amortisation of financial liabilities carried at amortised cost	-	-	-	-
Depreciation of plant and equipment	242	212	242	212
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	16	-	16
Waiver of term loan liabilities	(16,000)	-	(16,000)	-
Writeback of provision for receivables	(4,921)	-	(4,921)	-
Foreign exchange loss	(3)	1	(3)	1
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-
Impairment losses on plant and equipment	-	-	-	-

6. Income Tax Expense

	Current Quarter Ended 31/8/2013 RM'000	Cumulative Year To-Date 31/8/2013 RM'000
Current income tax :		
- Malaysian tax	271	271

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 18 October 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 August 2013 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long-Term Borrowings			
Amount repayable after twelve months	69,919	-	69,919
	<u>69,919</u>	<u>-</u>	<u>69,919</u>
Short-Term Borrowings			
Current portion of long term borrowings	6,764	-	6,764
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>6,764</u>	<u>1,000</u>	<u>7,764</u>
Total Group Borrowings	<u>76,683</u>	<u>1,000</u>	<u>77,683</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 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 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 has on 20 December 2012 served the Notice of Demand pursuant to Section 218 on the 1st Defendant. The 1st 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 1st 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 which is now fixed for hearing on 18 December 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 and the case was referred to the High Court. IRB then filed an application for leave at Federal Court to seek an order to appeal to Federal Court against the decision of the Court of Appeal. Federal Court allowed IRB's leave to appeal. The case is now pending the hearing of IRB's appeal in Federal Court.

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 at which the Judge 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. Berembang's application for stay of proceedings and appeal against the decision was dismissed on 24 April 2013 and the case is now reverted to High Court for trial. The High Court has yet to fix a trial date.

- (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 Court of Appeal has yet to set a date on the hearing of appeal. Meanwhile, our application for stay of proceedings was allowed and the Court has now set the trial date on 7 November 2013 for parties to inform the Court on the outcome of the appeal.

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. Currently an appeal has been filed in the Court of Appeal against this dismissal wherein the Court of Appeal has yet to fix a trial date. 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	
	31/8/2013	31/8/2012	31/8/2013	31/8/2012
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Earnings				
Net earnings attributable to ordinary shareholders	21,088	5,224	21,088	5,224
	('000)	('000)	('000)	('000)
Weighted average number of ordinary shares	650,148	650,148	650,148	650,148

12. Realised and Unrealised Profit/(Losses)

	Group	
	31/8/2013	31/8/2012
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(567,495)	(539,715)
- Unrealised	33,481	(13,731)
Add : Consolidation adjustments	83,720	63,010
Total Group accumulated losses as per consolidated accounts	<u>(450,294)</u>	<u>(490,436)</u>

24 October 2013