

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MAY 2017**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-Date	Preceding Year Corresponding Period
	31/5/2017 RM'000	31/5/2016 RM'000	31/5/2017 RM'000	31/5/2016 RM'000
<b>Revenue</b>	<b>65,546</b>	43,750	<b>127,205</b>	121,176
Cost of sales	<b>(45,490)</b>	(29,008)	<b>(78,308)</b>	(75,117)
Gross profit	<b>20,056</b>	14,742	<b>48,897</b>	46,059
Other operating income	<b>7,945</b>	7,630	<b>15,937</b>	19,437
Distribution costs	<b>(14,020)</b>	(633)	<b>(16,202)</b>	(3,304)
Administration expenses	<b>(4,483)</b>	(656)	<b>(17,530)</b>	(12,631)
Other operating expenses	<b>(1,574)</b>	(19,349)	<b>(4,318)</b>	(24,080)
<b>Profit from operations</b>	<b>7,924</b>	1,734	<b>26,784</b>	25,481
Finance costs	<b>(1,747)</b>	(1,265)	<b>(6,948)</b>	(5,232)
<b>Profit before tax</b>	<b>6,177</b>	469	<b>19,836</b>	20,249
Income tax expense	<b>1,575</b>	101	<b>(3,727)</b>	(4,185)
<b>Net profit for the period</b>	<b>7,752</b>	570	<b>16,109</b>	16,064
Attributable to:				
Owners of the Company	<b>7,769</b>	608	<b>15,618</b>	16,200
Non-controlling interests	<b>(17)</b>	(38)	<b>491</b>	(136)
<b>Net profit for the period</b>	<b>7,752</b>	570	<b>16,109</b>	16,064
<b>Other comprehensive income, net of tax</b>				
Available-for-sale financial assets				
- Gain/(loss) on fair value changes	<b>3</b>	-	<b>8</b>	(4)
- Reclassification adjustments relating to derecognition	-	-	-	-
Exchange differences on translation of financial statements of foreign subsidiaries	<b>11</b>	5	<b>7</b>	(10)
<b>Total comprehensive income for the period</b>	<b>7,766</b>	575	<b>16,124</b>	16,050
<b>Total comprehensive income for the period</b>				
Attributable to:				
Owners of the Company	<b>7,783</b>	613	<b>15,633</b>	16,186
Non-controlling interests	<b>(17)</b>	(38)	<b>491</b>	(136)
	<b>7,766</b>	575	<b>16,124</b>	16,050
Basic earnings per ordinary share (sen)	<b>0.97</b>	0.08	<b>1.96</b>	2.22
Diluted earnings per ordinary share (sen)	<b>0.97</b>	0.08	<b>1.96</b>	2.22

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2016.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
 AS AT 31 MAY 2017**

	(Unaudited) 31/5/2017 RM'000	(Audited) 31/5/2016 RM000
<b>Non-current assets</b>		
Plant and equipment	3,267	2,224
Investment properties	280,499	272,180
Other financial assets	1,063	1,156
Deferred tax assets	2,881	84
	<u>287,710</u>	<u>275,644</u>
<b>Current assets</b>		
Inventories	2,453	2,455
Property development costs	128,120	52,554
Land held for development	169,861	-
Assets classified as held for sale	101,600	101,600
Trade receivables	47,340	24,834
Other receivables, deposits and prepayments	13,335	65,812
Tax recoverable	70	70
Fixed deposits with licensed banks	563	1,146
Cash and bank balances	19,802	6,079
	<u>483,144</u>	<u>254,550</u>
<b>TOTAL ASSETS</b>	<u>770,854</u>	<u>530,194</u>
<b>Equity</b>		
Share capital	80,316	76,615
Reserves	174,590	153,683
<b>Equity attributable to owners of the Company</b>	<u>254,906</u>	<u>230,298</u>
<b>Non-controlling interests</b>	14,227	13,723
<b>Total equity</b>	<u>269,133</u>	<u>244,021</u>
<b>Non current liabilities</b>		
Hire purchase liabilities	1,346	666
Borrowings	230,593	97,944
Trade payables	10,210	6,448
Other payables	4,273	18,971
Tax payable	-	4,539
	<u>246,422</u>	<u>128,568</u>
<b>Current liabilities</b>		
Trade payables	36,261	41,978
Other payables and accruals	170,045	79,437
Hire purchase liabilities	664	464
Borrowings	15,659	6,114
Tax payable	29,463	26,616
Liabilities classified as held for sale	3,207	2,996
	<u>255,299</u>	<u>157,605</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>770,854</u>	<u>530,194</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.3174	0.3006

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2016.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MAY 2017**

	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Fair value adjustment reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits 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 2016	76,615	38,150	4,199	(4)	(7)	111,345	230,298	13,723	244,021
Issuance of shares	3,701	5,287	-	-	-	-	8,988	-	8,988
Acquisition of non-controlling interests	-	-	-	-	-	(13)	(13)	13	-
Gain on fair value changes for available-for-sale financial assets	-	-	-	8	-	-	8	-	8
Foreign currency translation	-	-	-	-	7	-	7	-	7
Other comprehensive income for the year	-	-	-	8	7	-	15	-	15
Net profit for the year	-	-	-	-	-	15,618	15,618	491	16,109
Total comprehensive income for the year	-	-	-	8	7	15,618	15,633	491	16,124
Balance as at 31 May 2017	80,316	43,437	4,199	4	-	126,950	254,906	14,227	269,133

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 2016.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MAY 2017**

	Share capital RM'000	Share premium RM'000	Warrant reserve RM'000	Fair value adjustment reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits 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 2015	73,015	33,290	4,199	-	3	95,145	205,652	13,859	219,511
Issuance of shares	3,600	4,860	-	-	-	-	8,460	-	8,460
Loss on fair value changes for available-for-sale financial assets	-	-	-	(4)	-	-	(4)	-	(4)
Foreign currency translation	-	-	-	-	(10)	-	(10)	-	(10)
Other comprehensive loss for the year	-	-	-	(4)	(10)	-	(14)	-	(14)
Net profit for the year	-	-	-	-	-	16,200	16,200	(136)	16,064
Total comprehensive (loss)/income for the year	-	-	-	(4)	(10)	16,200	16,186	(136)	16,050
Balance as at 31 May 2016	76,615	38,150	4,199	(4)	(7)	111,345	230,298	13,723	244,021

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 2016.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
 FOR THE PERIOD ENDED 31 MAY 2017**

	12 months ended 31/5/2017 RM'000	12 months ended 31/5/2016 RM'000
<b>Cash flows from/(used in) operating activities</b>		
Profit before tax	19,836	20,249
Adjustments for :		
- Non-cash items	764	1,310
- Non-operating items	<b>(6,848)</b>	16,516
<b>Operating profit before working capital changes</b>	<b>13,752</b>	38,075
<b>Changes in working capital</b>		
- Inventories	2	732
- Trade and other receivables	26,465	(231)
- Trade and other payables	73,862	(811)
- Development costs	<b>(75,566)</b>	10,960
- Land held for development	<b>(169,861)</b>	-
- Bank account pledged	<b>(9,038)</b>	-
<b>Cash (used in)/generated from operations</b>	<b>(140,384)</b>	48,725
- Income tax paid	<b>(8,216)</b>	(6,327)
<b>Net cash (used in)/generated from operating activities</b>	<b>(148,600)</b>	42,398
<b>Cash flows from/(used in) investing activities</b>		
- Increase in investment properties	<b>(1,192)</b>	(3,765)
- Proceeds from disposal of investment in subsidiary	1	-
- Decrease in fixed deposits pledged	583	2,300
- Net interest received	3,717	84
- Proceeds from disposal of plant and equipment	108	131
- Payment for plant and equipment	<b>(597)</b>	(336)
<b>Net cash from/(used in) investing activities</b>	<b>2,620</b>	(1,586)
<b>Cash flows from/(used in) financing activities</b>		
- Proceeds from issuance of shares	8,988	8,460
- Proceeds from term loan	154,192	-
- Interest paid	<b>(6,668)</b>	(8,644)
- Net repayment of hire purchase liabilities	<b>(449)</b>	(401)
- Repayment of term loans	<b>(11,998)</b>	(37,028)
<b>Net cash from/(used in) financing activities</b>	<b>144,065</b>	(37,613)
Net (decrease)/increase in cash and cash equivalents	<b>(1,915)</b>	3,199
Cash and cash equivalents at beginning of year	6,079	2,880
<b>Cash and cash equivalents at end of year</b>	<b>4,164</b>	6,079
<b>Cash and cash equivalents comprise:</b>		
	RM'000	RM'000
Cash and bank balances	19,802	6,079
Fixed deposits with licensed banks	563	1,146
	<b>20,365</b>	7,225
Less : Fixed deposits pledged	<b>(563)</b>	(1,146)
Less : Bank account pledged	<b>(15,638)</b>	-
	<b>4,164</b>	6,079

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2016.

**NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 MAY 2017**

**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 2016 annual financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 May 2016. 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 financial year ended 31 May 2016.

**2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 May 2016.

**3. Qualification of Audit Report**

The audit report of the financial statements of the Group for the financial year ended 31 May 2016 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 year to-date results.

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**6. Debt and Equity Securities**

There were no cancellation, repurchases, resale and repayments of debts and equity securities during the financial year to-date save and except for the following :

- (i) listing and quotation for the 35,000,000 new ordinary shares of RM0.10 each at an issue price of RM0.243 per share on 24 August 2016 ; and
- (ii) listing and quotation for the 2,014,765 new ordinary shares of RM0.10 each at an issue price of RM0.240 per share on 14 September 2016.

**7. Dividends Paid**

There were no dividends paid during the financial year to-date.

**8. Segmental Reporting**

	Gross Operating Revenue RM'000	Profit/(Loss) Before Tax RM'000
Property Investment	25,717	19,561
Property Management	2,640	614
Property Development	143,897	3,735
Investment and Others	1,563	2,874
	<u>173,817</u>	<u>26,784</u>
Elimination Inter-Group	(46,612)	-
Financing Costs	-	(6,948)
	<u>127,205</u>	<u>19,836</u>

**9. Valuation of Plant and Equipment**

The valuation of plant and equipment 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 up to 21 July 2017 (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 2017.

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**11. Effect of Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current interim financial 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:

31/5/2017  
RM'000

Bank guarantee issued for :  
- utility companies

563
<hr/> 563

Inland Revenue Board (“IRB”) had on 3 June 2016, raised a notice of additional income tax assessment of RM30.7 million to Pujian Development Sdn Bhd (“PDSB”), a subsidiary of the Company, for the tax assessment year 2004. PDSB disagreed on the basis of the additional tax assessment and had filed a formal appeal against the assessment by submitting the prescribed Form Q to IRB. We have presented our appeal to the Dispute Resolution Division of IRB and they had forwarded the Form Q to Special Commissioners of Income Tax. The appeal is presently at the case management stage before the Special Commissioners of Income Tax.

In the opinion of the directors, after taking appropriate professional advices, PDSB has a reasonable chance of success.



**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 recorded a profit before tax of RM6.2 million for the current quarter with a cumulative profit before tax of RM19.8 million for the financial year ended 31 May 2017 ("FY 2017"). This was achieved on the back of revenue at RM65.5 million and RM127.2 million respectively.

The Group's revenue for FY 2017 improved by 5% to RM127.2 million due to contribution from the development of Phase 1 of Ampang Ukay, known as Liberty @ Ampang Ukay ("Liberty") which was launched in March 2017. For FY 2017, the Group recorded a profit before tax at RM19.8 million, against RM20.2 million in the previous corresponding year mainly due to higher marketing costs incurred during the early stages of the development of Liberty project which was mitigated by accretion in fair value of investment properties and recovery of long outstanding debts, which were previously provided for and now written-back.

For the current quarter, the Group's profit before tax increased to RM6.2 million as compared to RM0.47 million in the preceding year corresponding quarter, on the back of a 50% rise in revenue to RM65.5 million from RM43.8 million.

The main operational contribution was from the Group's development project in Ipoh, Perak known as "Upper East @ Tiger Lane" ("Upper East") and Liberty project mentioned above followed by recurring income from the two malls of the Group. The 529 unit luxury condominiums at Upper East project and the 1,632 SOHO units of Liberty project contributed to 42% and 33% of the Group's revenue respectively.

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

The Group's revenue for the current quarter at RM65.5 million was 104% higher than the preceding quarter at RM32.1 million primarily due to the commencement of billings from Liberty project.

The Group's profit before tax for the current quarter at RM6.2 million was higher as compared to profit before tax in the preceding quarter of RM4.1 million primarily due to accretion in fair value of investment properties of RM7.1 million.

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

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

With Upper East project in Ipoh, Perak which is in the tail end and targeted to deliver its vacant possession in the first quarter of financial year ending 31 May 2018 ("FY 2018") and will continue to contribute in FY 2018 from its final billing.

Liberty project is expected to contribute positively to the Group's performance in the FY 2018 as construction works progress accordingly and sales of the property increase.

The retail mall in Segamat will still contribute to the Group's performance in the first quarter of FY 2018 as the disposal is targeted to be completed by August 2017. Proceeds from this sale shall be reinvested for the Property Development Business and Other Business purposes. Rental income from Property Investment Division shall continue from the operations of the retail mall in South City Plaza, Seri Kembangan.

**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 31/5/2017 RM'000	Comparative Quarter Ended 31/5/2016 RM'000	12 months cumulative 31/5/2017 RM'000	12 months cumulative 31/5/2016 RM'000
Profit before tax is arrived at after charging/(crediting) :				
Interest income	(27)	(12)	(3,717)	(84)
Gain on disposal of investment in subsidiary	-	-	(3)	-
Finance costs				
- Interest expense	1,680	1,195	6,680	4,949
- Amortisation of financial liabilities carried at amortised cost	67	70	268	283
Bad debts written off	-	44	16	52
Depreciation of plant and equipment	189	293	764	1,310
Impairment loss on plant and equipment	-	1,685	-	1,685
Impairment loss on assets classified as held for sale	-	17,655	-	17,655
Tax penalty interest	50	128	995	560
Reversal of over provision of RPGT and tax penalties and interests	-	-	(43)	(10,427)
Writeback of provision for receivables	(422)	-	(3,857)	-
Foreign exchange gain	1	4	(7)	(11)
Gain on fair value adjustments on investment properties	(7,136)	(3,782)	(7,136)	(3,782)
Provision for litigation damages no longer required	-	(4,316)	-	(4,316)

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

**6. Income Tax Expense**

	Current Quarter Ended 31/5/2017 RM'000	Cumulative Year To-Date 31/5/2017 RM'000
Current income tax :		
- Malaysian tax	1,222	6,524
Deferred tax		
- Malaysian tax	(2,797)	(2,797)
Income tax expense	<u>(1,575)</u>	<u>3,727</u>

**7. Status of Corporate Proposals Announced**

Corporate Proposals

Save for the following, there are no other corporate proposals announced by the Company but not completed as at 21 July 2017 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

(i) The following proposal was approved at the EGM held on 3 September 2015 :-

Proposed acquisition by EcoFirst Development Sdn Bhd (“EDSB”), a wholly-owned subsidiary of the Company from Harta Villa Sdn Bhd (“HVSB”), a wholly-owned subsidiary of Tan & Tan Developments Berhad, which in turn is a wholly-owned subsidiary of IGB Corporation Berhad of a piece of freehold land held under Geran Hakmilik No. 44323 for Lot 378 Mukim Ulu Kelang, Daerah Gombak, State of Selangor measuring in area approximately 101,550.6422 square metres (or approximately 25.09 acres) at the purchase price of RM62,800,000.00 (“Land”) of which the option agreement was entered into on 20 April 2015 (“Option Agreement”).

On 18 September 2015, EDSB entered into a supplemental option agreement with HVSB to revise the size of the Land from 1,093,087.50 square feet to approximately 1,076,747.89 square feet and the purchase price was amended from RM62,800,000.00 to RM61,859,166.28.

On 6 October 2015, upon obtaining shareholders’ approval at the EGM on 3 September 2015, EDSB entered into the sale and purchase agreement with HVSB to purchase the Land pursuant to the exercise of the Option Agreement. EDSB has 30 months from the date of the Option Agreement to complete the acquisition which would be by 19 October 2017 at the latest.

**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 (Cont'd)**

Corporate Proposal (Cont'd)

(ii) On 10 June 2016, the Board of Directors of the Company announced that Tashima Development Sdn Bhd ("TDSB"), a wholly-owned subsidiary of the Company, had entered into a conditional sale and purchase agreement with AmTrustee Berhad, being the trustee of Hektar Real Estate Investment Trust which is listed on the Main Market of Bursa Malaysia Securities Berhad for the proposed disposal of the following for a cash consideration of RM104,000,000 ("SPA") ("Proposed Disposal") :

(a) 1Segamat Property, a land measuring approximately 174,534.21 square feet ("sqf") / 16,214.76 square metres ("sqm") on which a three (3)-storey retail mall building and one (1) basement car park together with a total of four hundred and twelve (412) car park bays (located at the basement, roof top and outdoor parking areas) known as "1Segamat Shopping Centre") (including all on-site fittings, machinery, equipment, fixtures and moveable chattels or any kind which are material to TDSB's current ownership, maintenance, use, leasing, service or operation of the 1Segamat Shopping Centre is erected thereon which forms part of two (2) pieces of leasehold land held under master title H.S.(D) 37321 No. PTB 1468 in Mukim Gemereh, Daerah Segamat, Negeri Johor and master title H.S(D) 37323 No. PTB 1283 in Bandar and Daerah Segamat, Negeri Johor.

(b) Car Park Rights :

(i) Such part of land held under Lot 236, in Bandar and Daerah Segamat, Negeri Johor measuring approximately 65,340.00 sqf / 6,070.28 sqm ("Car Park Lease Area") pursuant to the lease agreement dated 6 January 2016 between TDSB and Kelab Sukan Kebajikan Majlis Daerah Segamat in relation to the lease of the Car Park Lease Area ; and

(ii) Such part of the land comprising in the master titles having a total of seventy two (72) car park bays (subject to changes on the car park bays pursuant to the terms and conditions set out in the SPA) ("External Road Reserve") pursuant to the lease agreement to be entered into between TDSB and the relevant authority in relation to the lease of the External Road Reserve.

On 9 January 2017, the Board of Directors of the Company announced that pursuant to the terms and conditions of the SPA, TDSB is entitled to an automatic extension of six (6) months from the expiry of the Conditional Period (as defined in the SPA) or such other extended period as the parties may mutually agree and accordingly the Conditional Period has been extended from 10 January 2017 up to 9 July 2017 ("First Extended Conditional Period").

**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 (Cont'd)**

Corporate Proposal (Cont'd)

On 7 July 2017, TDSB has yet to fulfil certain of the conditions precedent of the SPA. In this regard, TDSB and Hektar Asset Management Sdn Bhd, the Manager of Hektar-REIT, had by way of an exchange of letters dated 7 July 2017, mutually agreed to extend the First Extended Conditional Period for a period of up to one (1) month to 9 August 2017.

**8. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 May 2017 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Long-Term Borrowings</b>			
Amount repayable after twelve months	230,593	-	230,593
	<u>230,593</u>	<u>-</u>	<u>230,593</u>
<b>Short-Term Borrowings</b>			
Current portion of long term borrowings	14,659	-	14,659
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>14,659</u>	<u>1,000</u>	<u>15,659</u>
Total Group Borrowings	<u>245,252</u>	<u>1,000</u>	<u>246,252</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 21 July 2017 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report) are as follows:

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

*(i) 24 purchasers of South City Plaza v PDSB*

The Shah Alam High Court has allowed the Plaintiffs' claims to rescind the sale and purchase agreements and PDSB has filed an appeal to the Court of Appeal. The Court of Appeal dismissed PDSB's appeal with cost on 3 October 2011. Plaintiffs filed application for assessment of damages at the Shah Alam High Court. The Shah Alam High Court has directed this matter to be settled by way of mediation. On 5 September 2016, the mediator has directed the matter to the Shah Alam High Court to continue the proceedings for assessment of damages. The Shah Alam High Court has fixed 15 August 2017 for case management pending settlement negotiation by the parties.

*(ii) The Government of Malaysia (Inland Revenue Board) ("IRB") v Mudek Sdn Bhd ("Mudek")*

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 for an order to appeal to Federal Court against the decision of the Court of Appeal. The Federal Court has fixed 20 July 2017 for hearing. On 20 July 2017, both Mudek and IRB had agreed to settle this matter by way of instalment payments and at IRB's request, Mudek had conceded to the appeal. Hence, the Federal Court allowed the appeal with no order as to costs and the High Court judgment is reinstated.

*(iii) 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.

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

**10. Dividend**

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

**11. Earnings Per Share**

The 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.

<b>Earnings per share</b>	Current Quarter Ended	Comparative Quarter Ended	Current Year To-Date	Comparative Year To-Date
	31/5/2017	31/5/2016	31/5/2017	31/5/2016
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Earnings</b> Net earnings attributable to ordinary shareholders	7,769	608	15,618	16,200
	('000)	('000)	('000)	('000)
<b>Weighted average number of ordinary shares (Basic)</b>	803,162	732,495	794,950	730,738
	(sen)	(sen)	(sen)	(sen)
<b>Basic earnings per ordinary share</b>	0.97	0.08	1.96	2.22
	('000)	('000)	('000)	('000)
<b>Weighted average number of ordinary shares (Diluted)</b>	803,162	732,495	794,950	730,738
	(sen)	(sen)	(sen)	(sen)
<b>Diluted earnings per ordinary share</b>	0.97	0.08	1.96	2.22



**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	
	31/5/2017	31/5/2016
	RM'000	RM'000
Total retained profit/(accumulated losses) of the Company and its subsidiaries		
- Realised	(13,276)	(38,071)
- Unrealised	30,214	25,228
Add : Consolidation adjustments	<u>110,012</u>	<u>124,188</u>
Total Group retained profits as per consolidated financial statements	<u>126,950</u>	<u>111,345</u>

27 July 2017