

**INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28  
FEBRUARY 2010****Table of Contents**

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**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2010**

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2010 RM'000	Preceding Year Corresponding Quarter 28.02.2009 RM'000	Current Year To Date 28.02.2010 RM'000	Preceding Year Corresponding Period 28.02.2009 RM'000
Revenue	7,983	4,896	7,983	4,896
Cost of goods sold	(6,445)	(4,145)	(6,445)	(4,145)
Gross profit	<u>1,538</u>	<u>751</u>	<u>1,538</u>	<u>751</u>
Other operating income	323	180	323	180
Administrative expenses	(3,192)	(2,540)	(3,192)	(2,540)
Finance costs	(453)	(559)	(453)	(559)
Loss from operations	<u>(1,784)</u>	<u>(2,168)</u>	<u>(1,784)</u>	<u>(2,168)</u>
Share of losses of an associated company	-	-	-	-
Loss before tax	<u>(1,784)</u>	<u>(2,168)</u>	<u>(1,784)</u>	<u>(2,168)</u>
Tax expense	52	3	52	3
Loss for the period	<u>(1,732)</u>	<u>(2,165)</u>	<u>(1,732)</u>	<u>(2,165)</u>
Attributable to :				
Equity holders of the Company	<u>(1,732)</u>	<u>(2,165)</u>	<u>(1,732)</u>	<u>(2,165)</u>
Basic earnings per ordinary share (sen)	<u>(1.73)</u>	<u>(2.17)</u>	<u>(1.73)</u>	<u>(2.17)</u>
Dividend per share (sen)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

N/A - Not Applicable

*(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2009)*

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 28 FEBRUARY 2010**

	(Unaudited) As At End Of Current Quarter 28.02.2010 RM000	(Audited) As At Preceding Financial Year End 30.11.2009 RM000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	187	241
Land held for property development	187,037	180,990
Deferred tax assets	3,245	3,193
	<u>190,469</u>	<u>184,424</u>
<b>Current assets</b>		
Property development costs	24,522	28,593
Inventories	11,369	12,323
Receivables, deposits and prepayments	23,665	25,503
Tax recoverable	132	84
Cash and bank balances	2,604	3,402
	<u>62,292</u>	<u>69,905</u>
<b>TOTAL ASSETS</b>	<u><u>252,761</u></u>	<u><u>254,329</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	100,000	100,000
Retained profits	32,802	34,534
Share premium	124	124
<b>Total equity</b>	<u>132,926</u>	<u>134,658</u>
<b>Non-current liabilities</b>		
Borrowings	81,759	72,243
	<u>81,759</u>	<u>72,243</u>
<b>Current liabilities</b>		
Provision for liabilities	11	11
Payables and accruals	14,985	20,041
Borrowings	23,078	27,224
Tax payable	2	152
	<u>38,076</u>	<u>47,428</u>
<b>Total liabilities</b>	<u>119,835</u>	<u>119,671</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>252,761</u></u>	<u><u>254,329</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.33</u>	<u>1.35</u>

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2009)*

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2010**

The figures have not been audited.

	Current Year-To- Date 28.02.2010 RM'000	Preceding Corresponding Period 28.02.2009 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Loss before tax	(1,784)	(2,168)
Adjustments for :-		
Depreciation of property, plant and equipment	57	92
Interest from bank deposits	(2)	(18)
Interest expense	453	559
Gain on disposal of property, plant and equipment	(150)	-
Operating loss before changes in working capital	<u>(1,426)</u>	<u>(1,535)</u>
(Increase)/Decrease in property development costs	(1,976)	(2,706)
Decrease/(Increase) in inventories	954	934
Decrease/(Increase) in receivables, deposits and prepayments	1,838	379
(Decrease)/Increase in payables, deposits and accruals	<u>(5,055)</u>	<u>844</u>
Cash Used In Operations	<u>(5,665)</u>	<u>(2,084)</u>
Tax paid	(218)	(2)
Tax refunded	20	-
Net Cash Generated From/(Used In) Operating Activities	<u>(5,863)</u>	<u>(2,086)</u>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Interest from bank deposits	2	18
Proceeds from disposal of property, plant and equipment	150	-
Purchase of property, plant and equipment	<u>(3)</u>	<u>(1)</u>
Net Cash Generated From Investing Activities	<u>149</u>	<u>17</u>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Drawdown of bank borrowings	4,567	-
Interest expense	(453)	(559)
Repayment of bank borrowings	(2,505)	(1,875)
Repayment of finance leases	<u>(74)</u>	<u>(44)</u>
Net Cash (Used In)/Generated From Financing Activities	<u>1,535</u>	<u>(2,478)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,179)</b>	<b>(4,547)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>(215)</b>	<b>5,052</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>(4,394)</u></b>	<b><u>505</u></b>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2009)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2010**

The figures have not been audited.

	Attributable to Equity Holders of the Company			Total RM'000
	Share capital	Distributable reserve	Non- distributable reserve	
	Ordinary shares RM'000	Retained profits RM'000	Share premium RM'000	
Balance as at 1 December 2008	100,000	38,281	124	138,405
Loss for the period	-	(2,165)	-	(2,165)
Balance as at 28 February 2009	100,000	36,116	124	136,240
<b>Balance as at 1 December 2009</b>	<b>100,000</b>	<b>34,534</b>	<b>124</b>	<b>134,658</b>
<b>Loss for the period</b>	<b>-</b>	<b>(1,732)</b>	<b>-</b>	<b>(1,732)</b>
<b>Balance as at 28 February 2010</b>	<b>100,000</b>	<b>32,802</b>	<b>124</b>	<b>132,926</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2009)*

**A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2010****A1. Basis of Preparation**

The unaudited interim financial report has been prepared in accordance with *FRS 134 : Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 30 November 2009.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the preparation of the financial statements for the year ended 30 November 2009.

**A3. Audit Report Of Preceding Annual Financial Statements**

The auditor's report for the financial statements for the year ended 30 November 2009 was not subject to any qualification.

**A4. Seasonality or Cyclicity of Operations**

The operations of the Group were not substantially affected by any seasonal or cyclical factors.

**A5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items for the current financial year-to-date.

**A6. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that give rise to a material effect in the current interim period.

**A7. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

**A8. Dividends Paid**

There were no payments of dividend during the current financial year-to-date.

## A9. Segmental Information

The segment analysis for the current financial year-to-date is set out below: -

	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>						
External sales	7,983	405	-	-	(405)	7,983
Inter-segment sales	-	-	-	59	(59)	-
Total revenue	<u>7,983</u>	<u>405</u>	<u>-</u>	<u>59</u>	<u>(464)</u>	<u>7,983</u>
<b>Result</b>						
Segment results	<u>(1,221)</u>	<u>(14)</u>	<u>(1)</u>	<u>(95)</u>	<u>-</u>	<u>(1,331)</u>
Finance costs						(453)
Loss before tax						<u>(1,784)</u>
Tax expense						52
Loss for the period						<u><u>(1,732)</u></u>

Segmental reporting by geographical locations has not been presented as all the activities of the Group's operations are carried out in Malaysia only.

## A10. Valuation of Property, Plant and Equipment

The valuations of the Group's property, plant and equipment have been brought forward without amendment from the latest audited annual financial statements.

## A11. Material Events Subsequent to the end of the Interim Period

There are no material events subsequent to the end of the financial quarter under review.

## A12. Changes in Composition of the Group

There were no changes in the composition of the Group for the current financial year-to-date.

**A13. Changes in Contingent Assets or Contingent Liabilities**

The changes in contingent liabilities since the last annual balance sheet date are as follows: -

	As At 28.02.2010 RM'000	Year End 30.11.2009 RM'000	Net Changes RM'000
Performance guarantees given to third parties, which are secured by: -			
- Earmark of cash at bank of a subsidiary company	52	24	28
	<u>52</u>	<u>24</u>	<u>28</u>

There were no changes in contingent asset since the last annual balance sheet date.

**A14. Commitments**

There are no outstanding capital commitments as at the date of this report.

**A15. Significant Related Party Transactions**

	Year to date 28-Feb-10 RM'000
<i>Transactions with directors of the Company, major shareholders of the Company and persons connected to the directors/major shareholders of the Company :</i>	
i) Rental return paid to an executive director of the Company	7
ii) Rental return paid to an executive director/major shareholder of the Company	30
iii) Rental return paid to a major shareholder of the Company and a person connected to an executive director/major shareholder of the Company	15
iv) Rental return paid to persons connected to an executive director/major shareholder of the Company and a non-independent non-executive director/major shareholder of the Company	147
	<u>199</u>
<i>Transactions with key management personnel of the Company and persons connected to key management personnel of the Company</i>	
i) Rental return paid to a key management personnel and a person connected to a key management personnel of the Company	14
	<u>14</u>

\* The rental returns were paid pursuant to a sales promotion offered by a subsidiary company upon the same terms and conditions generally available to the public.



**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)****B1. Review of Performance**

For the current financial quarter under review, the Group recorded revenue and loss before tax of RM7.9 million and RM1.8 million respectively as compared to the revenue and loss before tax of RM4.9 million and RM2.2 million respectively in the corresponding preceding year quarter. The revenue and the lower loss before tax for the current financial quarter was derived from the sale of its development properties in *Taman Nusa Indah* and *Residence at the Peak* in Johor Bahru.

**B2. Material Changes in the Profit Before Taxation for the Current Quarter as compared with the Immediate Preceding Quarter**

The Group recorded a loss before tax of RM1.8 million for the first quarter of the financial year ending 30 November 2010 as compared to the profit before tax of RM0.62 million for the immediate preceding quarter. The loss before tax in the current quarter was due to a lower revenue recorded.

**B3. Prospects Commentary**

Despite signs of improvements in the general economic climate, the Group is adopting a cautious outlook for the financial year ending 30 November 2010, given the still fragile global recovery.

The Group views positively the Government's commitment to the development of Iskandar Malaysia and expects its revenue for FY2010 to be mainly derived from the sales of its existing development properties in *Taman Nusa Indah*, the up market bungalows in Johor Bahru, *Residence at the Peak* and the first phase of development on its new parcel of land comprising a total of 313.17 acres, situated in Bandar Nusajaya, all located within Iskandar Malaysia.

Going forward, the Group's focus will be on the medium to high end landed property segment with particular attention being paid to the strategic locations of the Group's development projects, competitive pricing and design concepts.

**B4. Variance of Actual Profit from Forecast Profit**

Not applicable as there was no profit forecast published by the Group.

**B5. Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2010 RM'000	Preceding Year Corresponding Quarter 28.02.2009 RM'000	Current Year To Date 28.02.2010 RM'000	Preceding Year Corresponding Period 28.02.2009 RM'000
Current taxation	-	-	-	-
Over provision for previous year	-	-	-	-
Deferred taxation	(52)	(3)	(52)	(3)
	<u>(52)</u>	<u>(3)</u>	<u>(52)</u>	<u>(3)</u>

The effective tax rate of the tax charge for the current quarter and financial year-to-date is lower than the statutory tax rate principally due to losses incurred by the Group and the recognition of deferred tax income.

**B6. Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investments and/or properties for the current quarter and financial year-to-date outside the ordinary course of the Group's business.

**B7. Purchase/Disposal of Quoted Securities other than Securities in Existing Subsidiaries and Associated Companies**

- (a) There were no purchases or disposal of quoted securities for the current quarter and financial year-to-date.
- (b) There were no investments in quoted securities for the current quarter and financial year-to-date.

**B8. Status of Corporate Proposals**

There were no outstanding corporate proposals for the current quarter and financial year-to-date.

**B9. Group Borrowings**

The Group's borrowings (all denominated in Malaysian currency) as at 28 February 2010 are as follows: -

	Short Term Borrowings RM'000	Long Term Borrowings RM'000	Total Borrowings RM'000
<i>Secured</i>			
Term loans	1,891	72,389	74,280
Bridging loans	885	2,000	2,885
Bank overdrafts	6,998	-	6,998
Revolving credits	13,211	7,333	20,544
Finance leases	93	37	130
	<u>23,078</u>	<u>81,759</u>	<u>104,837</u>

**B10. Financial Instruments with Off Balance Sheet Risk**

There were no financial instruments with off balance sheet risk as at the date of this quarterly report.

**B11. Changes in Material Litigation**

There was no pending material litigation as at 22 April 2010, being a date not earlier than 7 days from the date of this quarterly report.

**B12. Dividend Payable**

- (a) (i) No interim dividend has been declared for the current financial year-to-date.
- (ii) Amount per share: -
- (iii) In the corresponding financial year ended 30 November 2009, no dividend was declared by the Board of Directors.
- (iv) Date payable: -
- (v) Date of entitlement: -
- (b) Total dividend for the current financial year: -

**B13. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2010 RM'000	Preceding Year Corresponding Quarter 28.02.2009 RM'000	Current Year To Date 28.02.2010 RM'000	Preceding Year Corresponding Period 28.02.2009 RM'000
<b>(a) Basic earnings per share</b>				
(Loss)/profit for the period	<u>(1,732)</u>	<u>(2,165)</u>	<u>(1,732)</u>	<u>(2,165)</u>
Weighted number of ordinary shares in issue	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Basic earnings per share (sen)	<u>(1.73)</u>	<u>(2.17)</u>	<u>(1.73)</u>	<u>(2.17)</u>
<b>(b) Diluted earnings per share</b>				
Profit/(loss) for the period/year	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Adjusted weighted number of ordinary shares in issue - Weighted number of ordinary shares in issue	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Diluted earnings per share (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - Not Applicable