

## INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2017

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2017**

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2017 RM'000	Preceding Year Corresponding Quarter 29.02.2016 RM'000	Current Year To Date 28.02.2017 RM'000	Preceding Year Corresponding Period 29.02.2016 RM'000
Revenue	30,275	27,533	30,275	27,533
Cost of sales	(18,917)	(16,854)	(18,917)	(16,854)
Gross profit	<u>11,358</u>	<u>10,679</u>	<u>11,358</u>	<u>10,679</u>
Other income	3,956	1,645	3,956	1,645
Marketing and promotion expenses	(1,782)	(1,547)	(1,782)	(1,547)
Administrative expenses	(6,751)	(5,484)	(6,751)	(5,484)
Finance costs	(587)	(235)	(587)	(235)
Profit before tax	<u>6,194</u>	<u>5,058</u>	<u>6,194</u>	<u>5,058</u>
Tax expense	(1,961)	(1,966)	(1,961)	(1,966)
Profit for the period	<u>4,233</u>	<u>3,092</u>	<u>4,233</u>	<u>3,092</u>
Other comprehensive income (net of tax)	-	-	-	-
Total comprehensive income for the period	<u><u>4,233</u></u>	<u><u>3,092</u></u>	<u><u>4,233</u></u>	<u><u>3,092</u></u>
Profit attributable to :				
Owners of the parent	<u><u>4,233</u></u>	<u><u>3,092</u></u>	<u><u>4,233</u></u>	<u><u>3,092</u></u>
Total comprehensive income attributable to :				
Owners of the parent	<u><u>4,233</u></u>	<u><u>3,092</u></u>	<u><u>4,233</u></u>	<u><u>3,092</u></u>
Basic earnings per ordinary share (sen)	<u><u>4.23</u></u>	<u><u>3.09</u></u>	<u><u>4.23</u></u>	<u><u>3.09</u></u>

*(The Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2016 and the accompanying explanatory notes attached to this interim financial report)*

**NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Total comprehensive income for the period is arrived at after charging/(crediting) the following items:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2017 RM'000	Preceding Year Corresponding Quarter 29.02.2016 RM'000	Current Year To Date 28.02.2017 RM'000	Preceding Year Corresponding Period 29.02.2016 RM'000
Fair value gain on investment properties	(3,563)	(954)	(3,563)	(954)
Interest income	(296)	(627)	(296)	(627)
Other income	(97)	(64)	(97)	(64)
Interest expenses	587	235	587	235
Depreciation	346	334	346	334

Save as disclosed above and in the Condensed Consolidated Statement of Profit Or Loss And Other Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2017**

	(Unaudited) As At End Of Current Quarter 28.02.2017 RM'000	(Audited) As At Preceding Financial Year End 30.11.2016 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,025	4,274
Investment properties	25,803	20,075
Land held for property development	83,183	83,183
Deferred tax assets	889	908
	<b>113,900</b>	<b>108,440</b>
<b>Current assets</b>		
Property development costs	110,393	100,784
Inventories	128,863	135,199
Trade and other receivables	76,985	74,823
Current tax assets	586	583
Cash and cash equivalents	6,714	11,693
	<b>323,541</b>	<b>323,082</b>
<b>TOTAL ASSETS</b>	<b>437,441</b>	<b>431,522</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	100,000	100,000
Retained profits	205,315	201,082
Share premium	124	124
<b>Total equity</b>	<b>305,439</b>	<b>301,206</b>
<b>Non-current liabilities</b>		
Borrowings	27,600	30,690
	<b>27,600</b>	<b>30,690</b>
<b>Current liabilities</b>		
Provision for liabilities	374	374
Trade and other payables	74,143	61,945
Borrowings	28,397	36,095
Current tax liabilities	1,488	1,212
	<b>104,402</b>	<b>99,626</b>
<b>Total liabilities</b>	<b>132,002</b>	<b>130,316</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>437,441</b>	<b>431,522</b>
Net assets per share attributable to owners of the parent (RM)	<b>3.05</b>	<b>3.01</b>

*(The Condensed Consolidated Statement Of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2016 and the accompanying explanatory notes attached to this interim financial report )*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2017**

The figures have not been audited.

	<b>Current Year-To- Date 28.02.2017 RM'000</b>	<b>Preceding Corresponding Period 29.02.2016 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	6,194	5,058
Adjustments for :-		
Fair value gain on investment properties	(3,563)	(954)
Depreciation of property, plant and equipment	346	334
Interest income	(296)	(627)
Interest expense	587	235
Operating profit before changes in working capital	<u>3,268</u>	<u>4,046</u>
Changes in working capital :		
Land held for development	-	(7)
Property development costs	(9,609)	(9,007)
Inventories	4,171	(279)
Trade and other receivables	(2,146)	1,593
Trade and other payables	12,198	2,252
Cash generated from/(used in) operations	<u>7,882</u>	<u>(1,402)</u>
Tax paid	(1,670)	(1,073)
Net cash from/(used in) operating activities	<u>6,212</u>	<u>(2,475)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	280	230
Purchase of property, plant and equipment	(97)	(39)
Net cash from investing activities	<u>183</u>	<u>191</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of borrowings	312	10,392
Interest paid	(587)	(235)
Repayment of borrowings	(11,980)	(5,650)
Repayment of finance lease creditors	(203)	(188)
Net cash (used in)/from financing activities	<u>(12,458)</u>	<u>4,319</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,063)</b>	<b>2,035</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>10,888</b>	<b>10,883</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>4,825</u></b>	<b><u>12,918</u></b>

*(The Condensed Consolidated Statement Of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 November 2016 and the accompanying explanatory notes attached to this interim financial report)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR  
THE FIRST QUARTER ENDED 28 FEBRUARY 2017**

The figures have not been audited.

	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total equity RM'000
<b>As at 1 December 2016</b>	<b>100,000</b>	<b>124</b>	<b>201,082</b>	<b>301,206</b>
Profit for the financial period	-	-	4,233	4,233
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	4,233	4,233
<b>As at 28 February 2017</b>	<b>100,000</b>	<b>124</b>	<b>205,315</b>	<b>305,439</b>
As at 1 December 2015	100,000	124	185,167	285,291
Profit for the financial period	-	-	3,092	3,092
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	3,092	3,092
As at 29 February 2016	100,000	124	188,259	288,383

*(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 2016 and the accompanying explanatory notes attached to this interim financial report)*

## A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 28 FEBRUARY 2017

### 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 2016. The explanatory notes attached to the unaudited interim financial report 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 30 November 2016.

### A2. Changes in Accounting Policies

On 8 September 2015, the Malaysian Accounting Standards Board ('MASB') announced that the effective date of MFRS 15 *Revenue from Contracts with Customers* will be deferred to annual periods beginning on or after 1 January 2018. As a result, the effective date for Transitioning Entities (TEs) to apply the Malaysian Financial Reporting Standards (MFRSs) will also be deferred to annual periods beginning on or after 1 January 2018.

Accordingly, as a transitioning entity as defined by the MASB, the Group has elected to continue to apply the FRS Framework up till its financial year ending 30 November 2018 and will adopt the following Standards of the MFRS Framework that were issued by the MASB during the financial year ending 30 November 2019.

The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the preparation of the audited financial statements for the year ended 30 November 2016 except for the adoption of the following new/revised FRSs, amendments to FRSs, IC Interpretations and Amendments to Interpretations:

#### Effective for annual financial period beginning on or after 1 January 2016

<i>FRS 14 Regulatory Deferral Accounts</i>	1 January 2016
<i>Amendments to FRS 10 and FRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
<i>Amendments to FRS 11 Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
<i>Amendments to FRS 116 and FRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
<i>Amendments to FRS 127 Equity Method in Separate Financial Statements</i>	1 January 2016
<i>Amendments to FRSs Annual Improvements to 2012-2014 Cycle</i>	1 January 2016
<i>Amendments to FRS 101 Disclosure Initiative</i>	1 January 2016
<i>Amendments to FRS 10, FRS 12, and FRS 128 Investment Entities : Applying the Consolidation Exception</i>	1 January 2016

**A2. Changes in Accounting Policies (continued)**

The above Amendments to FRSs and IC Interpretation are expected to have no significant impact on the financial performance and position of the Group.

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

The auditor's report for the financial statements for the year ended 30 November 2016 was not subject to any qualification.

**A4. Seasonality or Cyclical 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: -

<b>3 months period ended 28 February 2017</b>	<b>Property Development</b> RM'000	<b>Investment Holding</b> RM'000	<b>Others</b> RM'000	<b>Total</b> RM'000
Total revenue	30,241	-	175	30,416
Inter-segment revenue	-	-	(141)	(141)
<b>Revenue from external customers</b>	<b>30,241</b>	<b>-</b>	<b>34</b>	<b>30,275</b>
Interest Income	296	196	-	492
Finance costs	(560)	(223)	-	(783)
	(264)	(27)	-	(291)
Inter-segment income	-	(196)	-	(196)
Inter-segment finance	196	-	-	196
Net finance expense	(68)	(223)	-	(291)
Depreciation	322	24	-	346
<b>Segment profit before income tax</b>	<b>6,748</b>	<b>(496)</b>	<b>(106)</b>	<b>6,146</b>
Taxation	(1,961)	-	-	(1,961)
<b>Segment profit after income tax</b>	<b>4,787</b>	<b>(496)</b>	<b>(106)</b>	<b>4,185</b>

**A9. Segmental Information (continued)**

3 months period ended 29 February 2016	Property	Investment	Others	Total
	Development	Holding		
	RM'000	RM'000	RM'000	RM'000
Total revenue	27,533	-	214	27,747
Inter-segment revenue	-	-	(214)	(214)
<b>Revenue from external customers</b>	<b>27,533</b>	<b>-</b>	<b>-</b>	<b>27,533</b>
Interest Income	616	217	-	833
Finance costs	(238)	(203)	-	(441)
	378	14	-	392
Inter-segment income	-	(206)	-	(206)
Inter-segment finance	206	-	-	206
Net finance expenses	584	(192)	-	392
Depreciation	310	24	-	334
<b>Segment profit before income tax</b>	<b>5,560</b>	<b>(458)</b>	<b>(49)</b>	<b>5,053</b>
Taxation	(1,966)	-	-	(1,966)
<b>Segment profit after income tax</b>	<b>3,594</b>	<b>(458)</b>	<b>(49)</b>	<b>3,087</b>

Reconciliation of reportable segment profit or loss to the Group's corresponding amounts are as follows :-

Profit for the financial period	28.02.2017	29.02.2016
	RM'000	RM'000
Total profit for the reportable segment	6,146	5,053
Elimination of inter-segment profits	48	5
Profit before tax	6,194	5,058
Taxation	(1,961)	(1,966)
Profit for the financial period	4,233	3,092

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.

Additional investment properties of the Group were recognised in the current financial quarter and are measured at fair value. The recognition of the said investment properties at fair value resulted in an additional fair value gain of RM3,563,000.

**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**

There were no contingent assets and contingent liabilities since the last annual reporting date.

**A14. Commitments**

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

**A15. Significant Related Party Transactions**

There were no related party transactions for the current financial year to date.

**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)****B1. Review of Performance****a. Performance of the current quarter against the preceding year corresponding quarter**

The Group registered a revenue and profit before tax of RM30.3 million and RM6.2 million respectively for the current quarter under review as compared to the revenue and profit before tax of RM27.5 million and RM5.1 million respectively in the preceding year corresponding quarter.

Revenue increased slightly by 10% whilst profit before tax increased by 22% mainly derived from the property development division. Revenue and profit before tax increased due to further sales of completed units of serviced apartments as well as the contributions from the three storey terrace houses and three storey cluster homes that were sold in *Taman Nusa Sentral* as construction progressed. Fair value gain recognised in the current quarter from additional investment properties had also contributed to the profit before tax.

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

The Group recorded a profit before tax of RM6.2 million for the first quarter of the financial year ending 28 February 2017 as compared to the profit before tax of RM12.3 million for the immediate preceding quarter due to lower number of units sold and a lower percentage of profit recognised for the three storey terrace houses as these properties were at advanced stages of construction.

**B3. Prospects Commentary**

The Group is cautiously optimistic of its prospects for the financial year ending 30 November 2017 despite uncertainties in the global economic environment, continued stringent lending requirements by the financial institutions, the intense competition among developers and weak market sentiments.

The Group expects its revenue and profit to be driven by the three storey terrace houses, three storey cluster houses, three storey shop offices and One Sentral Serviced Residence at *Taman Nusa Sentral*, Iskandar Puteri. The Group is also planning to launch further phases of the three storey terrace houses and three storey cluster houses as well as the launch of its affordable homes under the Rumah Mampu Milik Johor (RMMJ) scheme in *Taman Nusa Sentral* in this financial year.

**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 28.02.2017 RM'000	Preceding Year Corresponding Quarter 29.02.2016 RM'000	Current Year To Date 28.02.2017 RM'000	Preceding Year Corresponding Period 29.02.2016 RM'000
Current taxation	1,942	1,614	1,942	1,614
Deferred taxation	19	352	19	352
	1,961	1,966	1,961	1,966

The Group's effective tax rate for the quarter and financial year to date is higher than the statutory tax rate principally due to certain expenses that are not deductible for tax purposes.

**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 2017 are as follows:-

	<b>Short Term Borrowings</b> RM'000	<b>Long Term Borrowings</b> RM'000	<b>Total Borrowings</b> RM'000
<i>Secured</i>			
Bank overdraft	1,889	-	1,889
Bridging loans	8,743	-	8,743
Revolving credits	17,000	-	17,000
Term loans	-	26,317	26,317
Finance lease creditors	765	1,283	2,048
	<u>28,397</u>	<u>27,600</u>	<u>55,997</u>

**B10. Derivative Financial Instruments**

There were no outstanding derivative financial instruments for the current quarter and financial year-to-date.

**B11. Changes in Material Litigation**

There is no pending material litigation since the last audited annual reporting date up to 19th April 2017 being a date not earlier than 7 days from the date of issue of the quarterly report.

**B12. Dividend**

On 18 January 2017, the Board of Directors has proposed a third and final single tier dividend of 5 sen per ordinary share of RM1.00 each, for the financial year ended 30 November 2016, which was subject to the approval of the shareholders at the 2017 Annual General Meeting held on 25 April 2017.

The said dividend has been approved by shareholders at the Annual General Meeting held on 25 April 2017. The Board had resolved and fixed the entitlement date for the dividend on 31 May 2017 with the payment date for the dividend on 30 June 2017.

**B13. Earnings Per Share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28.02.2017 RM'000	Preceding Year Corresponding Quarter 29.02.2016 RM'000	Current Year To Date 28.02.2017 RM'000	Preceding Year Corresponding Period 29.02.2016 RM'000
<b>Basic/Diluted earnings per share</b>				
Profit for the period attributable to owners of the parent	4,233	3,092	4,233	3,092
Weighted number of ordinary shares in issue	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	4.23	3.09	4.23	3.09

The diluted earnings per share of the Group are the same as the basic earnings per ordinary share of the Group as the Company has no dilutive ordinary shares.

**B14. Disclosure of Realised And Unrealised Profits/(Losses)**

The following analysis is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants (“MIA Guidance”) and the directive of Bursa Malaysia Securities Berhad.

	28.02.2017 RM '000	30.11.2016 RM '000
Total retained profits of the Company and its subsidiaries :		
- Realised profits	185,884	185,242
- Unrealised profits	16,820	13,277
	<u>202,704</u>	<u>198,519</u>
Add : Consolidation adjustments	2,611	2,563
Total Group retained profits as per consolidated accounts	<u>205,315</u>	<u>201,082</u>