

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED  
30 JUNE 2012**

**NOTES TO THE FINANCIAL STATEMENTS**

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**A1 Accounting Policies and Basis of Preparation**

The interim financial report is unaudited and is prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

This is the third interim financial report on the consolidation results for the third quarter ended 30 June 2012 announced by the Group in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding financial year's corresponding period.

The interim financial statements should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the ten (10) months financial period ended 31 July 2011 as disclosed in the Prospectus of the Company dated 31 January 2012 and the accompanying explanatory notes attached to the interim financial statements.

These 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 period ended 31 July 2011.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the Prospectus dated 31 January 2012 except for the changes in accounting policies and presentation resulting from the adoption of relevant FRSs, amendments to FRSs and IC Interpretations that are effective for the financial periods beginning on or after 1 January 2011 and 1 July 2011 respectively.

The adoption of the above FRSs, amendments and interpretations did not cause impact on the financial statements of the Group.

The Group has not applied the following relevant new FRS and amendments to FRSs issued by Malaysian Accounting Standards Board ("MASB"):-

Effective for the financial periods beginning on or after 1 January 2012

FRS 124	Related Party Disclosures
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters
Amendments to FRS 7	Disclosures - Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax : Recovery of Underlying Assets

Effective for the financial periods beginning on or after 1 July 2012

Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
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The initial adoptions of the above amended FRSs are not expected to have any significant impact on the financial statements of the Group.

**Convergence of FRSs with the International Financial Reporting Standards**

On 19 November 2011, the MASB issued the new Malaysian Financial Reporting Standards ("MFRS") framework, consisting of accounting standards which are in line with the International Financial Reporting Standards ("IFRS") issued by International Accounting Standard Board ("IASB").

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**A1 Accounting Policies and Basis of Preparation (Cont'd)**

**Convergence of FRSs with the International Financial Reporting Standards (Cont'd)**

The MFRS framework is to be applied by all Non-Private Entities for annual period beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein referred to "Transitional Entities").

Transitional Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitional Entities will be mandatory for annual periods on or after 1 January 2013.

The Group falls within the scope of definition of Transitional Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare consolidated financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ended 30 September 2014. In presenting its first MFRS financial statements, the Group will be required to restate comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively against retained profits brought forward. The Group expects to be in a position to fully comply with the requirements of the MFRS Frameworks for the financial year ended 30 September 2014.

**IC Interpretation 15 - Agreements for the Construction of Real Estate**

The MASB has on 19 November 2011 announced that IC Interpretation 15 shall be withdrawn from the FRS Framework for application for annual period beginning on and after 1 January 2012 in light of its decision for the Transitional Entities as mentioned in foregoing paragraph above. IC Interpretation 15 will be operative for the Group's financial period beginning on or after 1 October 2013 when the Group first time adopts the MFRS Framework.

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of MFRS 111 Construction Contracts or MFRS 118 Revenue.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this Interpretation.

**A2 Report of the Auditors**

The auditors' report on preceding year's audited financial statements was not subject to any qualification.

**A3 Seasonality or Cyclicity of Operations**

The results of the property development segment for the current quarter under review were not materially affected by seasonal or cyclical factors. As for the leisure and hospitality segment, its results normally peak during major festivities, public holidays and school holidays seasons.

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**A4 Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow for the current financial period ended 30 June 2012.

**A5 Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial year, which have material impact in the current financial period ended 30 June 2012.

**A6 Debts and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities in the current quarter under review.

**A7 Dividend Paid**

A first interim single tier dividend of 1 sen per ordinary share of RM0.20 each amounting to RM4,000,000 in respect of the financial year ending 30 September 2012 was paid on 28 June 2012.

**A8 Segment Reporting**

Segment results for the financial period ended 30 June 2012 are as follows:-

Descriptions	Property Development RM'000	Leisure and Hospitality RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>					
External sales	91,063	44,315	-	-	135,378
Inter-segment sales	116,576	-	4,337	(120,913)	-
<b>Total Revenue</b>	<b>207,639</b>	<b>44,315</b>	<b>4,337</b>	<b>(120,913)</b>	<b>135,378</b>
<b>Results</b>					
Operating Segment results	34,770	10,146	(4,138)		40,778
Finance Income	236	-	172		408
Finance Costs	(275)	(1,326)	(162)		(1,763)
Profit before taxation	34,731	8,820	(4,128)		39,423
Taxation	(7,942)	(195)	(228)		(8,365)
Profit for the period	26,789	8,625	(4,356)		31,058

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**A9 Valuation of Property, Plant and Equipment and Investment Properties**

There were no changes in the valuation on property, plant and equipment and investment properties in the current quarter under review.

**A10 Material Events Subsequent to the end of the Financial Period**

There were no material events subsequent to the end of the current quarter under review.

**A11 Changes in the Composition of the Group**

On 23 April 2012, Sentoria Themeparks and Resorts Sdn Bhd (“STRSB”), a wholly-owned subsidiary of the Company has incorporated a new wholly-owned subsidiary, namely, Star Wholesale Sdn Bhd (“SWSB”), a private limited company incorporated in Malaysia under Companies Act, 1965.

SWSB was incorporated with an issued and paid-up share capital of RM2 divided into 2 ordinary shares of RM1.00 each.

**A12 Contingent Assets and Liabilities**

There were no contingent assets and liabilities for the current quarter under review.

**A13 Capital Commitments**

The outstanding capital commitments at the end of current quarter are as follows:

	30/06/2012 RM'000
Amount authorised and contracted for	92,079
Amount authorised but not contracted for	7,923

**B1 Review of Performance**

For the third quarter ended 30 June 2012, the Group reported revenue of RM38.49 million, of which the Property Development segment contributed approximately 63% or RM24.36 million, while the Leisure and Hospitality segment contributed the balance of 37% or RM14.13 million. The Group’s profit before tax stood at RM15.07 million, of which Property Development segment contributed approximately 84% or RM12.70 million, while the Leisure and Hospitality segment contributed the balance of 16% or RM2.37 million.

No comparative figures are presented for the previous corresponding quarter and period as the Group is within the first year of preparation of consolidated quarterly results for Bursa Malaysia Securities Berhad.

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**B2 Comparison with Immediate Preceding Quarter's Results**

The Group's third quarter revenue of RM38.49 million was slightly lower than RM38.96 million in the immediate preceding quarter. Nonetheless, profit before tax of RM15.07 million was higher than RM8.64 million in the immediate preceding quarter. The substantial improvement in the Group's profitability was mainly derived from the contribution of its property development segment due to the completion of the Sale and Purchase Agreements of some commercial land during the current quarter. The Leisure and Hospitality segment also registered substantial improvement in the third quarter due to higher patronage to Bukit Gambang Resort City (BGRC) during the school holidays.

**B3 Prospects**

a) Leisure and Hospitality Division

The Group expects the performance of this segment to be favourable in the current financial year, due to the growing awareness of BGRC amongst our target markets, as well as upcoming accommodation and attractions in BGRC.

b) Property Development Division

The Group expects the performance of its property development division to continue to be positive and as such, will continue to be satisfactory for the rest of the financial year.

**B4 Variance of Actual Profit from Profit Forecast or Profit Guarantee**

The Company did not announce any profit forecast or profit guarantee for the current quarter under review.

**B5 Taxation**

	Current Quarter Ended 30/06/2012 RM'000	Current Quarter Ended 30/06/2011 RM'000	Cumulative Year To Date 30/06/2012 RM'000	Cumulative Year To Date 30/06/2011 RM'000
Current income tax	3,132	N/A	8,635	N/A
Deferred taxation	(1,098)	N/A	(270)	N/A
	2,034	N/A	8,365	N/A

The Group's effective tax rate for the current quarter under review is lower than the statutory tax rate of 25%. This is mainly due to the Group enjoys a tax incentive on its Leisure and Hospitality segment thus giving rise to an effective lower tax rate.

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**B6 Profits/(Losses) on Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investments or properties for the current quarter under review.

**B7 Purchase or Disposal of Quoted Securities**

There were no purchases or disposal of quoted securities by the Group for current quarter under review.

**B8 Status of Corporate Proposal**

The actual utilisation of proceeds as at 30 June 2012 is as follows:-

Purpose of Utilisation	Estimated time frame for utilisation from date of Listing	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation		Explanations
				Amount RM'000	%	
(i) Repayment of bank borrowings	6 months	11,200	10,078	1,122	10.0	(a)
(ii) Purchase of property, plant and equipment	12 months	9,000	-	N/A	-	(b)
(iii) Working capital	12 months	27,700	12,663	-	-	(b)
(iv) Estimated listing Expenses	Immediate	3,700	4,253	(553)	(14.9)	(a)
		51,600	26,994			

Notes:-

- (a) The excess/(deficit) in the utilisation of repayment to bank borrowings and listing expenses will be adjusted to the amount allocated for working capital.
- (b) The proceeds from the Public Issue should be utilised within the estimated timeframe. The Group does not expect any material deviation as at the date of this quarterly financial report.

The unutilised proceeds raised from the Public Issue are placed in short-term deposits with licensed banks.

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**B9 Group Borrowings**

The Group's borrowings, all of which are denominated in Ringgit Malaysia (RM) as at 30 June 2012 are as follows:

	Short term Secured RM'000	Long term Secured RM'000	Total RM'000
Bankers acceptances	2,437	-	2,437
Bank overdrafts	5,553	-	5,553
Hire purchase creditors	542	1,607	2,149
Term loans	5,277	30,365	35,642
	13,809	31,972	45,781

**B10 Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments entered by the Group as at the date of this quarterly report.

**B11 Material Litigation**

The Group is not engaged in any material litigation and is not aware of any legal proceeding that might materially affect the financial position or business of the Group.

**B12 Realised and Unrealised Profits or Losses**

The breakdown of retained profits of the Group as at the reporting date into realised and unrealised profits are as follows:

	As at 30/06/2012 RM'000
Total retained profits of the Group	
Realised	50,389
Unrealised	13,967
Less : Consolidation adjustments	(1,619)
Total Group's retained profits as per consolidated accounts	62,737

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**B13 Dividend**

- (a) No interim dividend has been recommended in respect of current quarter ended 30 June 2012; and
- (b) The total dividend for the current financial period to date is 1 sen per ordinary share of RM0.20 each.

**B14 Earnings per share**

**(i) Basic Earnings per share**

The calculation of basic earnings per share for the financial period is based on the net profit attributable to owners of the company divided by the weighted average number of ordinary shares outstanding during the financial period.

	Current Quarter Ended 30/06/2012	Current Quarter Ended 30/06/2011	Cumulative Year To Date 30/06/2012	Cumulative Year To Date 30/06/2011
Profit attributable to owners of the Company (RM'000)	13,038	N/A	31,050	N/A
Weighted average number of ordinary shares in issue ('000 shares)	400,000	N/A	370,000	N/A
Basic earnings per share (sen)	3.26	N/A	8.39	N/A

**(ii) Diluted Earnings per share**

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the current quarter under review before the implementation of ESOS which entails the issuance of up to ten percent (10%) of the issued and paid-up share capital (excluding treasury shares) pursuant to the options to be granted under the ESOS to the Group's eligible directors and employees. As such, the diluted earnings per share are presented as equal to basic earnings per share.

**B15 Authorised for Issue**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 August 2012.

By order of the Board

Dated : 27 August 2012