

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2013**

NOTES TO THE FINANCIAL STATEMENTS

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.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 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 year ended 30 September 2012.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 September 2012 except for the changes in accounting policies and presentation resulting from the adoption of relevant FRSs and amendments to FRSs that are effective for the financial periods beginning on or after 1 January 2012.

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

| | |
|-----------------------|--|
| 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 |
|-----------------------|---|

The adoption of the above FRSs and amendments did not cause 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”).

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”).

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

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

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 2014.

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 2015. 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 not later than 30 September 2015.

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 adopts the MFRS Framework for the first time.

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 annual audited financial statements for the financial year ended 30 September 2012 were 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 holiday seasons.

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 31 March 2013.

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NOTES TO THE FINANCIAL STATEMENTS

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 31 March 2013.

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 Dividends Paid

There was no dividend paid during the quarter under review.

A8 Segment Reporting

Segment results for the financial period ended 31 March 2013 are as follows:-

| Descriptions | Property Development RM'000 | Leisure and Hospitality RM'000 | Others RM'000 | Eliminations RM'000 | Consolidated RM'000 |
|-------------------------------|--------------------------------|-----------------------------------|------------------|------------------------|------------------------|
| Revenue | | | | | |
| External sales | 57,711 | 34,753 | - | - | 92,464 |
| Inter-segment sales | 71,118 | - | 13,278 | (84,396) | - |
| Total Revenue | 128,829 | 34,753 | 13,278 | (84,396) | 92,464 |
| Results | | | | | |
| Operating segment results | 15,661 | 3,149 | 10,025 | (14,031) | 14,804 |
| Finance income | 280 | - | 3 | | 283 |
| Finance costs | (288) | (1,153) | (65) | | (1,506) |
| Profit before taxation | 15,653 | 1,996 | 9,963 | | 13,581 |
| Taxation | (3,445) | 240 | - | (772) | (3,205) |
| Profit for the year | 11,436 | 2,236 | 9,963 | | 10,376 |

Geographical segment

Geographical segment is not prepared as the Group carries out its business activities mainly in Malaysia.

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.

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A10 Material Events Subsequent to the end of the Financial Period

The Proposed bonus issue of 40,000,000 new ordinary shares of RM0.20 each to be credited as fully paid-up on the basis of one (1) Bonus Share for every ten (10) existing share has been listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 24 April 2013.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter under review.

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:

| | 31/03/2013 RM'000 |
|--|----------------------|
| Amount authorised and contracted for | 12,845 |
| Amount authorised but not contracted for | 22,685 |

A14 Significant Related Party Transactions

Transactions with directors of the Company and subsidiary companies and companies in which they have interests:

| | 01/10/2012 to 31/03/2013 RM'000 |
|--|--|
| (a) Agency fee paid to persons connected to a director | 60 |
| (b) Rental paid to companies in which certain directors have interests | 237 |
| (c) Rental paid to persons connected to a director | 24 |
| (d) Sales to a company in which certain directors have interests | 72 |

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B1 Review of Performance

For 2nd quarter ended 31 March 2013, the Group's revenue increased by 26.46% to RM49.27 million as compared to RM38.96 million in the previous corresponding quarter. This was mainly due to good sales response for new housing projects. The Group's profit before taxation decreased to RM2.51 million as compared to RM6.21 million in the previous corresponding quarter. This was mainly due to:

- i. Construction of lower medium costs housing project in line with government housing policy contributed lower margin.
- ii. Losses incurred in leisure and hospitality division due to cyclical low occupancy rate for resort rooms and initial operating costs and overheads incurred for Arabian Bay Resorts.

The Group's revenue for cumulative 6 months ended 31 March 2013 decreased by 4.56% to RM92.46 million as compared to RM96.88 million was mainly due to lower revenue from property division. Profit before taxation for the 6 months results also decreased to RM10.38 million as compared to RM18.02 million in the previous corresponding period. This was mainly due to lower revenue for property division and initial operating costs and overheads incurred for Arabian Bay Resorts.

B2 Comparison with Immediate Preceding Quarter's Results

The Group's revenue for the current quarter increased by 14.01% to RM49.27 million as compared to RM43.19 million in the preceding quarter ending 31 December 2012. This was contributed by the property division resulting from the new housing projects launched during the current quarter. However the Group's profit before taxation of RM2.51 million for the current quarter is lower by RM7.86 million as compared to the preceding quarter ended 31 December 2012. This was mainly due to the losses incurred by leisure and hospitality division resulted from the cyclical low occupancy rate for resort rooms and initial operating costs and overheads incurred for Arabian Bay Resorts.

B3 Prospects

a) Property Development Division

Notwithstanding the challenging economic outlook worldwide, the property development division will be bolstered by the Government's incentives to provide affordable housing schemes and to enable locals to purchase their first home.

The Group would continue to undertake our marketing campaigns to promote our existing projects, and launch new projects to meet the growing demand from our target markets.

Encourage by the high take up rate for sales of Bukit Rangan Housing Project, the property development division expect continue to contribute positively to the Group.

b) Leisure and Hospitality Division

Leveraging on the anticipated expansion in the tourism sector, the Group will continue to grow to the leisure and hospitality segment, by increasing our existing capacity and attractions in Bukit Gambang Resort City, as well as exploring opportunities to bring our success story to other viable locations.

The additional facility in Arabian Bay Resort will anticipate to sustain the performance of the Group.

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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 31/03/2013 RM'000 | Cumulative Year To Date 31/03/2013 RM'000 |
|--------------------|---|---|
| Current income tax | 2,549 | 4,217 |
| Deferred taxation | (1,565) | (1,012) |
| | 984 | 3,205 |
| | | |

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

B6 Status of Corporate Proposal

The bonus issue of 40,000,000 new ordinary shares of RM0.20 each have been completed on 24 April 2013.

B7 Group Borrowings

The Group's borrowings, all of which are denominated in Ringgit Malaysia (RM) as at 31 March 2013 are as follows:

| | Short term Secured RM'000 | Long term Secured RM'000 | Total RM'000 |
|-------------------------|---------------------------------|--------------------------------|-----------------|
| Bankers acceptances | 3,570 | - | 3,570 |
| Bank overdrafts | 10,299 | - | 10,299 |
| Hire purchase creditors | 874 | 2,181 | 3,055 |
| Term loans | 7,759 | 47,352 | 55,111 |
| | 22,502 | 49,533 | 72,035 |
| | | | |

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B8 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.

B9 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 31/03/2013 RM'000 | As at 30/09/2012 RM'000 |
|---|-------------------------------|-------------------------------|
| Total retained profits of the Group | | |
| Realised | 89,183 | 66,113 |
| Unrealised | 13,972 | 13,966 |
| Less : Consolidation adjustments | (13,250) | (558) |
| Total Group's retained profits as per consolidated accounts | 89,905 | 79,521 |
| | | |

The determination of realised and unrealised profits is based on the Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B10 Dividends

No dividends were proposed by the Group in the current quarter under review.

B11 Earnings per share

(i) Basic Earnings per share

The calculation of basic earnings per share for the financial year 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.

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B11 Earnings per share (Cont'd)

(i) Basic Earnings per share (Cont'd)

| | Individual Period | | Cumulative Period | |
|---|---------------------------------------|---|---------------------------------------|--|
| | Current Year Quarter 31/03/2013 | Preceding Year Corresponding Quarter 31/03/2012 | Current Year To Date 31/03/2013 | Preceding Year Corresponding 31/03/2012 |
| Profit attributable to owners of the Company (RM'000) | 2,518 | 6,207 | 10,384 | 18,012 |
| Weighted average number of ordinary shares in issue ('000 shares) | 400,000 | 370,330 | 400,000 | 355,082 |
| Basic earnings per share (sen) | 0.63 | 1.68 | 2.60 | 5.07 |

(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.

B12 Notes to the Statement of Comprehensive Income

The finance income, other income, finance costs, amortisation and depreciation has been included in the Statement of Comprehensive Income except for the followings items which are not applicable.

- a) Allowance and written off of receivables;
- b) Allowance and written off of inventories;
- c) Gain or loss on disposal of quoted or unquoted investments or properties;
- d) Impairment of assets;
- e) Gain or loss on derivatives; and
- f) Exceptional items (with details)

By order of the Board

Dated : 22 May 2013