

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED  
30 SEPTEMBER 2015**

**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's Main Market Listing Requirements.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the financial year ended 30 September 2014 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 2014.

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 2014 except for the changes in accounting policies and presentation resulting from the adoption of new and revised Financial Reporting Standards ("FRSs") and amendments to FRSs that are effective for the financial periods beginning on or after 1 January 2014.

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

Effective for annual financial period beginning on or after 1 January 2014

Amendments to FRS 10,	Investment Entities
FRS 12 and FRS 127	
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

Effective for annual financial period beginning on or after 1 July 2014

Amendments to FRS 119	Defined Benefit Plans: Employee Contributions
Annual Improvements to FRSs 2010-2012 Cycle issued in January 2014	
Annual Improvements to FRSs 2011-2013 Cycle issued in January 2014	

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

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

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

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

Effective for annual financial period beginning on or after 1 January 2018

FRS 9	Financial Instruments (International Financial Reporting Standards ("IFRS") 9 issued by International Accounting Standards Board ("IASB") in July 2014)
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The adoption of the above FRSs, amendments and IC Interpretation 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 MFRS 15 Revenue from Contracts with Customers for construction of Real Estate, including its parent, significant investor and venture (herein referred to "Transitioning 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 2018.

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 2019. 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

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

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 2019.

**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 15 Revenue from Contracts with Customers.

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 2014 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 year-to-date.

**A5 Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial quarter and financial year, which have material impact on year-to-date.

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**NOTES TO THE FINANCIAL STATEMENTS**

**A6 Debts and Equity Securities**

The Company increased its issued and paid-up capital from RM88,000,000 to RM96,822,221 by way of issuance of 44,111,104 new ordinary shares of RM0.60 each pursuant to the exercise of warrants.

The Company had on 30 July 2015 fully redeemed and cancelled its MTN of RM120 million in nominal value.

Save for the above, there were no issuances, cancellation, repurchase, resale and repayment of debt and equity for the year to date.

**A7 Dividends Paid**

There total dividend paid for the year-to-date were as follows:

<u>In respect FYE 30 Sep 2014</u>	<u>Payment date</u>	<u>Amount (RM)</u>
Interim Single-tier dividend of 1 sen per ordinary share	16 Jan 2015	4,540,995
Final Single-tier dividend of 1 sen per ordinary share	11 June 201	4,641,111

**A8 Segment Reporting**

Segment results for the year-to-date 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	164,478	55,147			219,625
Inter-segment sales	72,224	1,379	50,000	(123,603)	-
Total Revenue	236,702	56,526	50,000	(123,603)	219,625
<b>Results</b>					
Operating segment results	45,770	(3,154)	55,592	(50,250)	47,958
Finance income	395	18	249		662
Finance costs	(6,320)	(3,430)	(1,749)		(11,499)
Profit before taxation	39,845	(6,566)	54,092		37,121
Taxation	(10,099)	5,022	(61)	132	(5,006)
Profit for the period	29,746	(1,544)	54,031		32,115

Geographical segment

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

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**NOTES TO THE FINANCIAL STATEMENTS**

**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 financial and year-to-date.

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

There were no material events subsequent to the end of the current financial quarter which have not been reflected in the interim financial statements.

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

There were no changes in the composition of the Group during the current financial quarter.

**A12 Contingent Assets and Liabilities**

There were no material changes in the contingent assets and liabilities since the last audited statement of financial position as at 30 September 2014.

**A13 Capital Commitments**

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

	30/09/2015 RM'000
Amount authorised and contracted for	100,253
Amount authorised but not contracted for	-

**A14 Significant Related Party Transactions**

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

	01/10/2014 to 30/09/2015 RM'000
(a) Rental paid to companies in which certain directors have interests	492
(b) Rental paid to persons connected to a director	45
(c) Sales to a company in which certain directors have interests	769
(d) Tax consulting fee paid to a company in which connected to a director	294

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**NOTES TO THE FINANCIAL STATEMENTS**

**B1 Review of Performance**

For current financial quarter, the Group's revenue decreased by 9.6% to RM58.3 million as compared to RM64.5 million in the previous year corresponding quarter. This was mainly due to near completion of a few current projects and lower occupancy rate as well as reduced number of visitors. However, the Group's profit before taxation only decreased by 6.6% to RM12.4 million as compared to RM13.3 million in the previous year corresponding quarter.

The Group's revenue for the financial year ended 30 September 2015 increased to RM219.6 million as compared to RM218.4 million in the previous year mainly due to higher billing. The Group's profit before taxation increased by 4.7% to RM37.1 million as compared to RM35.5 million in the previous year was partly due to gain from recognition of land owner's entitlement of 12 completed units in Global Heritage

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

The Group's revenue for the current financial quarter increased by 27.1% to RM58.3 million as compared to RM45.9 million in the preceding financial quarter. This is mainly due to higher revenue from property development division.

The current financial quarter's profit before taxation increased to RM12.4 million as compared to RM4.4 million in the preceding financial quarter ended 30 Jun 2015. This is partly due to gain from recognition of land owner's entitlement of 12 completed units in Global Heritage.

**B3 Prospects**

The Group will continue to emphasis on its core strength in building affordable homes. Apart from new launching of East Coast Bazaar and Taman Bukit Gambang Semi Detached house project in Pahang in 4<sup>th</sup> quarter of FY 2015, the Group also received good sales response for its 1<sup>st</sup> project in Kuching in 4<sup>th</sup> quarter of FY2015. The Group is also expected to launch the Morib project by 1<sup>st</sup> half of FY 2016.

As for leisure & hospitality, the performance is expected to see continuous improvement with efforts to enhance operational efficiencies and costs control measures.

**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 financial quarter and year-to-date.

**B5 Taxation**

	Current Quarter Ended 30/09/2015 RM'000	Cumulative Year To Date 30/09/2015 RM'000
Current income tax	3,093	10,451
Deferred taxation	(3,583)	(5,445)
	490	5,006

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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 investment tax allowance.

**B6 Status of Corporate Proposal**

There was no corporate proposal announced but not completed as of 25 November 2015..

**B7 Group Borrowings**

The Group's borrowings, all of which are denominated in Ringgit Malaysia (RM) as at 30 September 2015 are as follows:

	Short term Secured RM'000	Long term Secured RM'000	Total RM'000
Bankers acceptances	8,406	-	8,406
Bank overdrafts	8,474	-	8,474
Hire purchase creditors	1,025	986	2,011
Term loans	2,708	130,415	133,123
	20,613	131,401	152,014

**B8 Material Litigation**

The Group has no material litigation pending as of 25 November 2015.

**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 30/09/2015 RM'000	As at 30/9/2014 RM'000
Total retained profits of the Group		
Realised	133,200	127,385
Unrealised	46,145	29,117
Less : Consolidation adjustments	(14,099)	(14,203)
Total Group's retained profits as per consolidated accounts	165,246	142,299

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.

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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**

The Board of Directors has declared an interim dividend of 1 sen per ordinary shares for the financial year ending 30 September 2015.

The entitlement to the interim dividend will be determined based on the shareholders registered in the record of depositors as at 18 December 2015 and the date of payment will be on 8 January 2016.

**B11 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.

	Individual Period		Cumulative Period	
	Current Year Quarter 30/09/2015	Preceding Year Corresponding Quarter 30/09/2014	Current Year To Date 30/09/2015	Preceding Year Corresponding 30/09/2014
Profit attributable to owners of the Company (RM'000)	12,917	10,058	32,129	29,139
Weighted average number of ordinary shares in issue (000)	474,111	440,000	460,352	440,000
Basic earnings per share (sen)	2.72	2.28	6.98	6.62

**(ii) Diluted earnings per share**

The diluted earnings per ordinary share has been calculated based on the profit attributable to ordinary equity holders of the Company divided by the weighted average number of ordinary shares in issue and balance exercise of 43,888,896 warrants during the financial period.



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**NOTES TO THE FINANCIAL STATEMENTS**

	Individual Period		Cumulative Period	
	Current Year Quarter 30/09/2015	Preceding Year Corresponding Quarter 30/09/2014	Current Year To Date 30/09/2015	Preceding Year Corresponding 30/9/2014
Profit attributable to owners of the Company (RM'000)	12,917	10,058	32,129	29,139
Weighted average number of ordinary shares in issue (000)	494,692	458,047	480,933	458,047
Diluted earnings per share (sen)	2.62	2.20	6.68	6.36

**B12 Notes to the Statement of Comprehensive Income**

	Current Quarter Ended 30/09/2015 RM'000	Cumulative Year To Date 30/09/2015 RM'000
Gain/(loss) on disposal of property, plant and equipment	(406)	245

Except for the abovementioned, the finance income, other income, finance costs, amortisation and depreciation has been included in the Statement of Comprehensive Income except for the following 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;
- d) Impairment of assets;
- e) Gain or loss on derivatives; and
- f) Exceptional items (with details)

By order of the Board  
Dated 27 Nov 2015