

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED
31 DECEMBER 2015**

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'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 2015 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 2015.

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 2015 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 October 2015.

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 2016

FRS10, 12 and 128	Consolidation Financial Statements, Disclosure of Interests in Other Entities and Investments in Associates and Joint Ventures : Investment Entities – Applying the Consolidation Exception
FRS 11	Joint Arrangements : Accounting for Acquisitions of Interests in Joint Operations
FRS 14	Regulatory Deferral Accounts
FRS 101	Presentation of Financial Statements : Disclosure initiative
FRS 116	Property, Plant and Equipment : Agriculture – Bearer Plants
FRS 116	Property, Plant and Equipment : Clarification of Acceptable Methods of Depreciation
FRS 127	Consolidated and Separate Financial Statements : Equity Method in Separate Financial Statements
FRS 138	Intangible Assets : Clarification of Acceptable Methods of Amortisation
FRS 141	Agriculture : Bearer Plants
Annual Improvements to FRSs 2012-2014 Cycle issued in November 2014	

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

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)
Amendments to FRS 7	Financial Instruments - Disclosures : Mandatory effective date of FRS 9 and transitional disclosures

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 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.

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

IC Interpretation 15 - Agreements for the Construction of Real Estate (cont'd)

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 2015 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 year, which have material impact on year to date.

A6 Debts and Equity Securities

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

A7 Dividends Paid

Total dividend paid for the year to date were as follows:

<u>In respect FYE 30 Sep 2015</u>	<u>Payment date</u>	<u>Amount (RM)</u>
Interim Single-tier dividend of 1 sen per ordinary share	8 Jan 2016	4,841,111

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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
Revenue					
External sales	28,614	18,399	-		47,013
Inter-segment sales	-	277	-	(277)	-
Total Revenue	28,614	18,676	-	(277)	47,013
Results					
Operating segment results	8,116	4,486	(767)	356	12,191
Finance income	44	-	48		92
Finance costs	(1,033)	(691)	(183)		(1,907)
Profit before taxation	7,127	3,795	(902)		10,376
Taxation	(1,990)	28	-		(1,962)
Profit for the period	5,137	3,823	(902)		8,414

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 financial quarter 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 2015.

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A13 Capital Commitments

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

	31/12/2015 RM'000
Amount authorised and contracted for	79,027
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:

	01/10/2015 to 31/12/2015 RM'000
(a) Rental paid to companies in which certain directors have interests	92
(b) Rental paid to persons connected to a director	15
(c) Sales to a company in which certain directors have interests	256
(d) Tax consulting fee paid to a company in which connected to a director	38

B1 Review of Performance

For current financial quarter, the Group's revenue decreased by 26.6% to RM47.0 million as compared to RM64.0 million in the previous year corresponding quarter. This was mainly due to lower revenue for property development division resulting from lower billing as new projects has yet to contribute for the current quarter.

The Group's profit before taxation ("PBT") decreased by 26.7% to RM10.4 million as compared to RM14.2 million in the previous year corresponding quarter. This was mainly due to lower PBT from property division. However, this has been offset by higher PBT from leisure and hospitality division. The revenue from property development division is expected to improve subsequent to the launch of new projects in 2nd quarter of FY 2016.

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B2 Comparison with Immediate Preceding Quarter's Results

The Group's revenue for the current financial quarter decreased by 19.4% to RM47.0 million as compared to RM58.3 million in the preceding financial quarter. This was mainly due to lower revenue from property development division.

The current financial quarter's PBT decreased by 16.1% to RM10.4 million as compared to RM12.4 million in the preceding financial quarter ended 30 September 2015. This was mainly due to lower revenue from property development division.

B3 Prospects

The Group will continue to emphasis on its core strength in building affordable homes. The new launching of houses in Kuching and Morib in the 2nd quarter of FY 2016 have received good response. With the new projects in the pipeline, the sales for FY 2016 is expected to improve as compared to previous year.

As for leisure & hospitality, the performance is expected to be challenging. Nevertheless, efforts will be made to enhance operational efficiencies and costs control.

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 31/12/2015 RM'000	Cumulative Year To Date 31/12/2015 RM'000
Current income tax	2,000	2,000
Deferred taxation	(38)	(38)
	1,962	1,962

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 26 February 2016.

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B7 Group Borrowings

The Group's borrowings, all of which are denominated in Ringgit Malaysia (RM) as at 31 December 2015 are as follows:

	Short term Secured RM'000	Long term Secured RM'000	Total RM'000
Bankers acceptances	12,371	-	12,371
Bank overdrafts	17,238	-	17,238
Hire purchase creditors	1,026	773	1,799
Term loans	2,821	129,675	132,496
	33,456	130,448	163,904

B8 Material Litigation

The Group has no material litigation pending as of 26 February 2016.

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 31/12//2015 RM'000	As at 31/12/2014 RM'000
Total retained profits of the Group		
Realised	131,419	123,117
Unrealised	58,151	44,649
Less : Consolidation adjustments	(15,196)	(14,213)
Total Group's retained profits as per consolidated accounts	174,374	153,553

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.

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B10 Dividends

The Directors have proposed a final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended 30 September 2015. This proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

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 31/12/2015	Preceding Year Corresponding Quarter 31/12/2014	Current Year To Date 31/12/2015	Preceding Year Corresponding 31/12/2014
Profit attributable to owners of the Company (RM'000)	8,429	11,254	8,429	11,254
Weighted average number of ordinary shares in issue (000)	484,111	441,916	484,111	441,916
Basic earnings per share (sen)	1.74	2.55	1.74	2.55

(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.

	Individual Period		Cumulative Period	
	Current Year Quarter 31/12/2015	Preceding Year Corresponding Quarter 31/12/2014	Current Year To Date 31/12/2015	Preceding Year Corresponding 31/12/2014
Profit attributable to owners of the Company (RM'000)	8,429	11,254	8,429	11,254
Weighted average number of ordinary shares in issue (000)	487,850	483,424	487,850	483,424
Diluted earnings per share (sen)	1.73	2.33	1.73	2.33

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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 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;
- f) Gain/(loss) on disposal of property, plant and equipment; and
- g) Exceptional items (with details)

By order of the Board
Dated 26 February 2016