



(Company No. 47908-K)

## INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

### PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

#### A1. Basis of preparation

The interim financial statements have been prepared under the historical cost convention. The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the audited financial statements for the year ended 31 December 2009.

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 year ended 31 December 2009, other than for compliance with any new/revised Financial Reporting Standards (FRS) that came into effect during the period under review.

The adoption of the new/revised FRS that came into effect during the period under review does not have material effects on the Group's financial result for the financial year-to-date or the Group's shareholders' funds as at 31 March 2010.

#### A2. Changes in accounting policies

The significant accounting policies and methods of computations adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2009 except for the mandatory adoption of the following new/revised FRSs effective for the financial year beginning on or after 1 January 2010.

*FRS 4, Insurance Contracts*

*FRS 7, Financial Instruments: Disclosures*

*FRS 101, Presentation of Financial Statements (as revised in 2009)*

*FRS 123, Borrowing Costs*

*FRS 139, Financial Instruments: Recognition and Measurement*

*Amendments to FRS 1*

*and FRS 127, First-time Adoption of Financial Reporting Standards*

*Consolidated and Separate Financial Statements: Cost of an Investment  
in a Subsidiary, Jointly Controlled Entity or Associate*

*Amendments to FRS 2, Share-based Payment: Vesting Conditions and Cancellations*

*Amendments to FRS 132, Financial Instruments: Presentation*

*Amendments to FRS 139, Financial Instruments: Recognition and Measurement*

*FRS 7 and IC Interpretation 9, Disclosures and Reassessment of Embedded Derivatives*



(Company No. 47908-K)

## INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

### PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

#### A2. Changes in accounting policies (cont'd.)

*Improvement to FRSs 2009, Improvement to FRSs (2009)*  
*IC Interpretation 9, Reassessment of Embedded Derivatives*  
*IC Interpretation 10, Interim Financial Reporting and Impairment*  
*IC Interpretation 11, FRS 2 - Group and Treasury Share Transactions*  
*IC Interpretation 13, Customer Loyalty Programmes*  
*IC Interpretation 14, FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*  
*TR I-3, Presentation of Financial Statements of Financial Institutions*

#### A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

#### A4. Comments about seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.

#### A5. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that is unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

#### A6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year

There were no changes in estimates of amounts reported in the current quarter or changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter.

#### A7. Debt and equity securities

There were no issuances and repayment of debts and equity securities, share repurchases, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter, except as disclosed in note B7.

#### A8. Dividends paid

No dividend was paid during the current quarter under review.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**A9. Segmental information**

Segment information is presented in respect of the Group's business segments which are based on the internal reporting structure presented to the management of the Company.

The Group's principal business segments are property development and resort operations, property investment and investment holding.

The Group mainly operates in Malaysia where other country has yet to generate any significant contribution to the Group and accordingly, information by geographical location of the Group's operations is not presented.

Business segment analysis	Property development and resort operations	Property Investment	Investment holding and others	Consolidated
	RM'000	RM'000	RM'000	RM'000
<u>YTD ended 31 March 2010</u>				
Revenue	47,579	10,793	-	58,372
Results from operations	2,386	4,814	(653)	6,547
Finance cost	(1,185)	(314)	(52)	(1,551)
Share of results of associates	-	-	1,606	1,606
Profit/ (loss) before tax	1,201	4,500	901	6,602

Business segment analysis	Property development and resort operations	Property Investment	Investment holding and others	Consolidated
	RM'000	RM'000	RM'000	RM'000
<u>YTD ended 31 March 2009</u>				
Revenue	42,933	1,851	-	44,784
Results from operations	19,717	(1,665)	(1,767)	16,285
Finance cost	(830)	-	(233)	(1,063)
Share of results of associates	-	-	659	659
Profit/ (loss) before tax	18,887	(1,665)	(1,341)	15,881

**INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**A10. Valuations of property, plant and equipment**

The valuations of the property, plant and equipment have been brought forward from the audited financial statement for the year ended 31 December 2009.

**A11. Material events subsequent to the end of interim period**

There were no material event subsequent to the end of the financial year ended 31 December 2009 up to the date of this report that have not been reflected in the interim financial statements, except as followings:

- i) As announced on 26 April 2010, 28 April 2010 and 10 May 2010, the purchase of 17.75 million ordinary shares of RM1.00 each in Berjaya Corporation Berhad (“BCorporation”) and 2.615 million Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of nominal value of RM0.50 each in BCorporation for a total cash consideration of about RM29.98 million and RM3.31 million respectively; and
- ii) As announced on 7 April 2010, Dijaya Corporation Berhad has entered into Share Purchase Agreements to acquire the entire issued and paid up share capital of Transglobal Limited, a company incorporated in the Cayman Islands from Winmark Holdings Limited and Wizamir LLC for a total consideration of USD 50,000.00 (equivalent to RM170,000.00).

**A12. Changes in composition of the Group**

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

**A13. Changes in contingent liabilities or contingent assets**

As at 31 March 2010, the Group is contingently liable for unsecured corporate guarantees given to financial institutions for banking and credit facilities granted to certain subsidiaries amounting to RM231,400,000.00.

**A14. Capital commitments**

There were no material changes in capital commitments since the last audited report date as at 31 December 2009 except for:

- i) The land acquisition on that piece of freehold commercial land held under Geran 51952 Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan, measuring approximately 5,196 sq metres (or 55,929 sq feet) has been completed on 22 February 2010; and
- ii) The remaining balance sum of RM16,575,000.00 payable within 18 months from the date of Sales and Purchase Agreement, for the acquisition of thirty six (36) parcels of vacant leasehold development lands with 99 years lease expiring on 11 April 2101 and measuring an aggregate land area of approximately 7,131 square meters, equivalent to approximately 76,757.37 square feet.



(Company No. 47908-K)

## INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

### PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

#### B1. Performance review

The Group's revenue for the current quarter ended 31 March 2010 of RM58.37 million reflected an increase of RM13.59 million or 30.34% compared to the revenue for the preceding corresponding quarter of RM44.78 million. The profit before taxation of RM6.60 million in the current quarter reflected a decrease of RM9.28 million or 58.43% compared to RM15.88 million in preceding corresponding quarter.

The increase in revenue was mainly contributed from the mall operation and progress billings recognized from Villa Green 3A. The lower profit before taxation was mainly resulted from the increase in administrative expenses of approximately RM5.3 million. This is mainly due to higher staff costs from mall operation & professional charges and statutory costs incurred on project related matters. However, there is a recognition of gains from the deemed disposal of land by Mawar Hebat Sdn Bhd and a capital repayment on the Group's investment in MTD InfraPerdana Bhd in the preceding corresponding quarter.

#### B2. Variation of results against preceding quarter

	Quarter ended	
	31/03/10	31/12/09
	RM'000	RM'000
Revenue	58,372	101,281
Consolidated profit before taxation	6,602	7,398

For the current quarter review, the Group's revenue RM58.37 million has decreased by RM42.91 million over that of the preceding quarter of RM101.28 million whereas the profit before taxation of RM6.60 million has decreased by RM0.79 million as compared to the preceding quarter of RM7.39 million.

The lower revenue and profit before taxation in the current quarter was mainly resulted from the completion of previous development projects and new launches only take place in the later period of the current quarter.

#### B3. Prospects

Given the prevailing market economic conditions, the Directors are of the opinion that the property market remains very challenging and competitive. However, the management would continue to exercise financial discipline, be focused and innovative and adopt various measures to improve operational efficiencies and enhance customer loyalty.

Hence, barring any unforeseen circumstances, our Group is optimistic of achieving satisfactory performance for FYE 31 December 2010.

#### B4. Profit forecast or profit guarantee

No profit forecast or profit guarantee was issued for the financial period.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B5. Taxation**

	Individual quarter		Year to date	
	31/03/10 RM'000	31/03/09 RM'000	31/03/10 RM'000	31/03/09 RM'000
Tax expense for the period	4,424	5,083	4,424	5,083
(Over)/under provision of tax for the previous financial year	-	(33)	-	(33)
Deferred taxation transfers	(968)	(409)	(968)	(409)
	<u>3,456</u>	<u>4,641</u>	<u>3,456</u>	<u>4,641</u>

The effective taxation rates were disproportionate to the financial results principally due to losses incurred by some subsidiaries, and non-deductibility of certain expenses for taxation purposes.

**B6. Sale of unquoted investments and properties**

There was sale of unquoted investments outside the ordinary course of the Group's business for the financial period under review.

**B7. Quoted securities**

(i) Available-for-sale Investments

	As At 31/03/10	As At 31/03/09
Quoted equity at FV	66,873	44,558
Additional	-	-
Disposal	(19,177)	(913)
Fair Value adjustment, transfer to equity	8,044	-
	<u>55,740</u>	<u>43,645</u>
	=====	=====

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B8. Corporate Proposals**

**i) Status of corporate proposals**

There were no corporate proposals announced which is pending for completion as at the date of this report.

**ii) Status of Utilization of Proceeds.**

The issuance of 194,719,187 new ordinary shares of RM1.00 each pursuant to the two-call Rights Issue at an issue price of RM1.00 per ordinary share (of which the RM0.80 was payable in cash on application and the RM0.20 was payable out of the Company's share premium account) with 129,812,791 free detachable warrants 2009/2019 had raised total gross proceeds of RM155.775 million, which had been utilized as follows:

Purpose	Proposed Utilization	Actual Utilization	Balance	Intended Timeframe for Utilization	Derivation	
	RM'000	RM'000	RM'000		RM'000	%
Working Capital	154,775	113,152	41,623	Year 2010	-	-
Defraying Expenses	1,000	338	662	Year 2010	-	-
<b>Total</b>	<b>155,775</b>	<b>113,490</b>	<b>42,285</b>			

**B9. Borrowings**

	As at 31/03/10 RM'000	As at 31/03/09 RM'000
Secured short-term borrowings	31,179	52,995
Secured long-term borrowings	184,047	96,894
	215,226	149,889

All of the above borrowings are denominated in Ringgit Malaysia.

**B10. Off balance sheet financial instruments**

There were no off balance sheet arrangement entered into nor were there any off balance sheet financial instruments issued as at the date of this report.

**B11. Material litigation**

There has been no material litigation or claim as at the date of this report, the value of which exceeds 5% of the Group's net tangible assets.

**B12. Dividend payable**

There was no dividend proposed for the quarter under review.

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2010

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD**

**B13. Earnings per share**

a) Basic earnings per ordinary share

Basic earnings per share amounts were calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual quarters		Year to date	
	31/03/10	31/03/09	31/03/10	31/03/09
Profit attributable to ordinary equity holders of the parent (RM'000)	464	9,567	464	9,567
Weighted average number of ordinary shares in issue ('000)	454,345	259,626	454,345	259,626
Basic earnings per share (sen)	0.1	3.7	0.1	3.7

**B13. Earnings per share (cont'd)**

(b) Diluted earnings per ordinary share

For the purpose of calculating diluted earning per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effect of dilutive potential ordinary shares from the exercise of share options granted.

	Individual quarters		Year to date	
	31/03/10	31/03/09	31/03/10	31/03/09
Profit attributable to ordinary equity holders of the parent (RM'000)	464	9,567	464	9,567
Weighted average number of ordinary shares in issue ('000) for the purpose of basic earnings per share	454,345	259,626	454,345	259,626
Effect of shares option	-	-	-	-
Weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	454,345	259,626	454,345	259,626
Diluted earnings per share (sen)	0.1	3.7	0.1	3.70

**B14 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 May 2010.