

A & M REALTY BERHAD

(Company No. 177214-H)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2013

| | <u>Individual Period</u> | | <u>Cumulative Period</u> | |
|---|--------------------------|-------------------|--------------------------|-------------------|
| | <u>3 months ended</u> | | <u>12 months ended</u> | |
| | <u>31.12.2013</u> | <u>31.12.2012</u> | <u>31.12.2013</u> | <u>31.12.2012</u> |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> | <u>RM'000</u> |
| Revenue | 45,397 | 39,065 | 141,791 | 138,140 |
| Operating profit | 17,107 | 12,833 | 43,384 | 36,374 |
| Interest expense | (3) | (5) | (14) | (33) |
| Interest income | 495 | 582 | 2,105 | 2,084 |
| Profit before taxation | 17,599 | 13,410 | 45,475 | 38,425 |
| Income tax expenses | (4,870) | (3,110) | (12,375) | (10,111) |
| Net profit for the period | 12,729 | 10,300 | 33,100 | 28,314 |
| Attributable to : | | | | |
| Equity holders of parent | 12,747 | 10,088 | 32,079 | 26,949 |
| Non-controlling interest | (18) | 212 | 1,021 | 1,365 |
| Total comprehensive income for the period | 12,729 | 10,300 | 33,100 | 28,314 |
| Earnings per share of RM0.50 each attributable to equity holders of the parent : | | | | |
| Basic (sen) | 3.49 | 2.76 | 8.79 | 7.38 |

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

A & M REALTY BERHAD

(Company No. 177214-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December 2013

| | As at 31.12.2013 (Unaudited) RM'000 | As at 31.12.2012 (Audited) RM'000 |
|--|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 149,704 | 136,069 |
| Investment properties | 34,177 | 27,869 |
| Investment in associated companies | 1,485 | 1,485 |
| Land held for property development | 62,038 | 62,019 |
| Other investments | 101 | 145 |
| Goodwill on consolidation | 19,431 | 19,431 |
| Fixed deposits | 1,805 | 1,663 |
| Deferred tax assets | 714 | 714 |
| Biological assets | 3,827 | 3,827 |
| | <u>273,282</u> | <u>253,222</u> |
| Current assets | | |
| Inventories | 85,816 | 71,985 |
| Property development costs | 173,416 | 218,564 |
| Trade and other receivables | 37,782 | 24,344 |
| Amount due from customers for contract works | 14,395 | 2,661 |
| Income tax assets | 532 | 917 |
| Fixed deposits | 61,362 | 44,362 |
| Cash and bank balances | 32,215 | 38,037 |
| | <u>405,518</u> | <u>400,870</u> |
| TOTAL ASSETS | <u>678,800</u> | <u>654,092</u> |

A & M REALTY BERHAD

(Company No. 177214-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 31 December 2013 (Continued)

| | As at 31.12.2013 (Unaudited) RM'000 | As at 31.12.2012 (Audited) RM'000 |
|--|--|--|
| <u>EQUITY AND LIABILITIES</u> | | |
| Equity attributable to equity holders of the company : | | |
| Share capital | 182,532 | 182,532 |
| Share premium | 35,073 | 35,073 |
| Retained earnings | 331,217 | 299,138 |
| | <hr/> | <hr/> |
| | 548,822 | 516,743 |
| Non-controlling interest | 16,468 | 15,535 |
| | <hr/> | <hr/> |
| Total equity | 565,290 | 532,278 |
| Non-current liabilities | | |
| Finance lease liabilities | 577 | 61 |
| Deferred tax liabilities | 42,219 | 44,207 |
| | <hr/> | <hr/> |
| | 42,796 | 44,268 |
| Current liabilities | | |
| Trade and other payables | 26,421 | 22,503 |
| Progress Billing in respect of property development | 33,207 | 45,121 |
| Amount due to customers for contract works | 1,209 | 1,268 |
| Finance lease liabilities | 85 | 24 |
| Amount due to related parties | 5,605 | 5,603 |
| Borrowings | 94 | 259 |
| Bank overdraft | 87 | - |
| Income tax liabilities | 4,006 | 2,768 |
| | <hr/> | <hr/> |
| | 70,714 | 77,546 |
| Total liabilities | 113,510 | 121,814 |
| TOTAL EQUITY AND LIABILITIES | 678,800 | 654,092 |
| Net Assets per share of RM0.50 each attributable to equity Holders of the parent (RM) | 1.50 | 1.42 |

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

A & M REALTY BERHAD

(Company No. 177214-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the financial year ended 31 December 2013

| | Attributable to equity holders of the parent | | Retained profits | Non-Controlling Interest | Total Equity |
|---|--|---------------|------------------|--------------------------|--------------|
| | Non-distributable | Distributable | | | |
| | Share capital | Share premium | | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| As at 1 January 2013 | 182,532 | 35,073 | 299,138 | 15,535 | 532,278 |
| Net profit for the year | - | - | 32,079 | 1,021 | 33,100 |
| Dividend paid to Non-controlling Interest by a subsidiary | - | - | - | (88) | (88) |
| As at 31 December 2013 | 182,532 | 35,073 | 331,217 | 16,468 | 565,290 |
| As at 1 January 2012 | 182,532 | 35,073 | 272,189 | 14,285 | 504,079 |
| Net profit for the year | - | - | 26,949 | 1,365 | 28,314 |
| Dividend paid to Non-controlling Interest by a subsidiary | - | - | - | (113) | (113) |
| Change composition of the group | - | - | - | (2) | (2) |
| As at 31 December 2012 | 182,532 | 35,073 | 299,138 | 15,535 | 532,278 |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statement.

A & M REALTY BERHAD

(Company No. 177214-H)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2013

| | <u>Cumulative Period</u> | |
|--|--------------------------|-------------------|
| | 12 months ended | |
| | 31.12.2013 | 31.12.2012 |
| | (Unaudited) | (Audited) |
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 45,475 | 38,425 |
| Adjustments for : | | |
| Non-cash items | 4,500 | 3,012 |
| Non-operating items | (2,373) | (2,364) |
| | <hr/> | <hr/> |
| Operating profit before working capital changes | 47,602 | 39,073 |
| Working capital changes : | | |
| Net change in current assets | 6,145 | 1,596 |
| Net change in current liabilities | (8,194) | 2,243 |
| Income tax refund | 520 | 622 |
| Income tax paid | (13,119) | (12,738) |
| Interest paid | (14) | (33) |
| Interest received | 2,105 | 2,115 |
| Dividend received | 182 | 0 |
| | <hr/> | <hr/> |
| Net cash flow from/(used in) operating activities | 35,227 | 32,878 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (17,679) | (23,736) |
| Purchase of biological assets | 0 | (77) |
| Purchase of investment properties | (6,790) | (3,546) |
| Proceed from disposal of property, plant and equipment | 83 | 263 |
| Proceed from disposal of investment | 87 | 0 |
| Development expenditure incurred | (19) | (38) |
| | <hr/> | <hr/> |
| Net cash flow used in investing activities | (24,318) | (27,134) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net (repayment)/proceeds from borrowings | 412 | (79) |
| Dividend Paid to Non-Controlling Interest | (88) | (113) |
| Withdrawal/(Placement) of Fixed Deposit under lien | (142) | (11) |
| | <hr/> | <hr/> |
| Net cash flow used in financing activities | 182 | (203) |
| NET CHANGES IN CASH AND CASH EQUIVALENTS | 11,091 | 5,541 |
| CASH AND CASH EQUIVALENTS AS AT 1 JANUARY | 82,399 | 76,858 |
| | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER | 93,490 | 82,399 |
| | <hr/> | <hr/> |

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY FINANCIAL REPORTING STANDARDS (“FRS”) 134

A1. Basis of preparation

The interim financial statement is unaudited and has 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.

The interim financial statement should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2012.

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 2012.

A2. Changes in Accounting Policies

The adoption of the following new/revised Financial Reporting Standards (“FRSs”) which are applicable to the Group with effect from 1 January 2013, as disclosed below:

| | Effective for the financial period beginning on or after |
|---|---|
| Presentation of Items of Other Comprehensive Income (Amendments to FRS 101) | 1 July 2012 |
| FRS 3 Business Combinations | 1 January 2013 |
| FRS 9 Financial Instruments (IFRS 9 issued by International Accounting Standards Board (“IASB”) in November 2009) | 1 January 2013 |
| FRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010) | 1 January 2013 |
| FRS 10 Consolidated Financial Statements | 1 January 2013 |
| FRS 11 Joint Arrangements | 1 January 2013 |
| FRS 12 Disclosure of Interests in Other Entities | 1 January 2013 |
| FRS 13 Fair Value Measurement | 1 January 2013 |
| FRS 119 Employee Benefits (as amended in November 2011) | 1 January 2013 |
| FRS 127 Separate Financial Statements (as amended in November 2011) | 1 January 2013 |
| FRS 128 Investments in Associates and Joint Ventures (as amended in November 2011) | 1 January 2013 |
| Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to FRS 7) | 1 January 2013 |
| Consolidated Financial Statements: Transition Guidance (Amendments to FRS 10) | 1 January 2013 |
| Joint Arrangements: Transition Guidance (Amendments to FRS 11) | 1 January 2013 |
| Disclosure of Interests in Other Entities: Transition Guidance (Amendments to FRS 12) | 1 January 2013 |

The adoption of the above FRSs and amendments to FRSs do not have significant financial impact on the results and financial position to the Group.

Malaysian Financial Reporting Standard (“MFRS”)

On 30 June 2012, the Malaysian Accounting Standards Board (MASB) announced its decision to allow agriculture and real estate companies (Transitioning Entities) to defer the adoption of the Malaysian Financial Reporting Standards (the MFRS Framework) for another year. MFRS will therefore be mandated for all companies for annual periods beginning on or after 1 January 2015. In respect of the MFRS Framework which is effective for annual periods beginning on or after 1 January 2015, the Group which falls under the scope definition of Transitioning Entities has opted to adopt MFRS for annual periods beginning on 1 January 2015. When the Group presents its first MFRS financial statements in 1 January 2015, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group expects to fully comply with the requirements of the MFRS Framework for the financial year beginning on 1 January 2015.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY FINANCIAL REPORTING STANDARDS (“FRS”) 134

A3. Status of audit qualifications

The audit report of the Group's most recent annual audited financial statements for the year ended 31 December 2012 was not subject to any audit qualification.

A4. Seasonal or cyclical factors

The Group's business operations for the quarter ended 31 December 2013 have not been materially affected by seasonal or cyclical factors.

A5. Unusual items

There were no unusual items that have a material effect on the assets, liabilities, equity, net income, or cash flow during the financial year under review.

A6. Changes in estimates

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

A7. Dividend paid

No dividend was paid during the current financial year ended 31 December 2013 (nil for the previous financial year ended 31 December 2012).

A & M Realty Berhad (177214-H)**EXPLANATORY NOTES AS REQUIRED BY FINANCIAL REPORTING STANDARDS (“FRS”) 134****A8. Segment reporting**

(a) Analysis of the Group's results by the various activities for the current financial year are as follows:-

31 December 2013

| | Property development, construction & services rendered RM'000 | Manufacturing & trading RM'000 | Hotel & leisure related services RM'000 | Plantation RM'000 | Elimination RM'000 | Total RM'000 |
|--------------------------------|--|--------------------------------------|---|----------------------|-----------------------|----------------------|
| <u>REVENUE</u> | | | | | | |
| External | 75,295 | 47,621 | 14,109 | 4,766 | | 141,791 |
| Inter-segment | 466 | - | 12 | | (478) | - |
| Total revenue | <u>75,761</u> | <u>47,621</u> | <u>14,121</u> | <u>4,766</u> | <u>(478)</u> | <u>141,791</u> |
| <u>RESULTS</u> | | | | | | |
| Segment results | 36,695 | 2,977 | 2,409 | 1,303 | | 43,384 |
| Unallocated income | | | | | | <u>2,105</u> |
| Profit/(Loss) from operations | | | | | | <u>45,489</u> |
| Finance costs | | | | | | <u>(14)</u> |
| Profit/(Loss) before taxation | | | | | | <u>45,475</u> |
| Taxation | | | | | | <u>(12,375)</u> |
| Net profit/(loss) for the year | | | | | | <u><u>33,100</u></u> |

31 December 2012

| | Property development, construction & management services rendered | Manufacturing & trading RM'000 | Hotel & leisure related services RM'000 | Plantation RM'000 | Elimination RM'000 | Total RM'000 |
|--------------------------------|--|--------------------------------------|---|----------------------|-----------------------|----------------------|
| <u>REVENUE</u> | | | | | | |
| External | 72,339 | 47,912 | 11,243 | 6,646 | | 138,140 |
| Inter-segment | 514 | - | 12 | 1 | (527) | - |
| Total revenue | <u>72,853</u> | <u>47,912</u> | <u>11,255</u> | <u>6,647</u> | <u>(527)</u> | <u>138,140</u> |
| <u>RESULTS</u> | | | | | | |
| Segment results | 27,520 | 3,385 | 3,121 | 2,348 | | 36,374 |
| Unallocated income | | | | | | <u>2,084</u> |
| Profit/(Loss) from operations | | | | | | <u>38,458</u> |
| Finance costs | | | | | | <u>(33)</u> |
| Profit/(Loss) before taxation | | | | | | <u>38,425</u> |
| Taxation | | | | | | <u>(10,111)</u> |
| Net profit/(loss) for the year | | | | | | <u><u>28,314</u></u> |

(b) Analysis by geographical location is not presented as the Group's activities are carried out predominantly in Malaysia.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY FINANCIAL REPORTING STANDARDS ("FRS") 134

A9. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous financial statements.

A10. Material subsequent events

There are no material events subsequent to the end of the financial year, except as disclosed below:

On 10 January 2014, the Company entered into a conditional Sale of Shares Agreement ("SSA") with Dato' Ng Boon Thong @ Ng Thian Hock, Datin Catherine Yeoh Eng Neo, Milton Norman Ng Kwee Leong, Steven Junior Ng Kwee Leng and Malcolm Jeremy Ng Kwee Seng ("Vendors") for the acquisition of 25 ordinary shares of RM1.00 each in Unik Sejati Sdn Bhd ("Unik Sejati"), representing 92.59% of the total issued and paid-up share capital, of Unik Sejati for a total cash consideration of RM85 million.

The Proposal Acquisition is conditional upon the fulfillment and satisfaction of the following conditions precedent within a period of eight months from the date of the SSA or such longer period as the parties may mutually agree:-

- i. The approval of the shareholders and Directors of A & M for the Proposed Acquisition being obtained;
- ii. The receipt by A & M of the audited financial accounts of Unik Sejati for the period ended 30th June 2013 signed by the Directors and the auditors of Unik Sejati, to which the net asset stated in the said audited financial accounts cannot be lower than that stated in the unaudited accounts attached in the SSA;
- iii. A & M being satisfied with the outcome of the due diligence;
- iv. A & M being satisfied that each of the vendors has complied with all the undertakings and warranties specified in the SSA; and
- v. The approval of any other relevant regulatory/authorities, if required.

A11. Changes in composition of the Group

There were no changes in composition of the Group during the current financial year ended 31 December 2013.

A12. Changes in contingent liabilities or contingent assets

There are no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date to the date of this announcement.

A13. Capital Commitments

There were no capital commitments of the Group in the quarterly report ended 31 December 2013.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of performance

4th Quarter FY 2013 vs 4th Quarter FY 2012

The Group's revenue was RM45.40 million for the current quarter ended 31 December 2013, an increase of 16.21% as compared with RM39.06 million recorded in the preceding year corresponding quarter ended 31 December 2012. The Group's profit before taxation and before non-controlling interest for the current quarter was RM17.60 million, an increase of 31.24% as compared with RM13.41 million recorded in the preceding year corresponding quarter.

Twelve months ended FY 2013 vs twelve months ended FY 2012

For the financial year ended 31 December 2013, the Group's revenue was RM141.79 million, which represented an increase of 2.64% as compared with RM138.14 million recorded in the previous financial year. The Group's profit before taxation and before non-controlling interest for the current financial year was RM45.48 million, which represented an increase of 18.35% as compared with RM38.42 million recorded in the previous financial year.

Performance of the respective operating business segments for the financial year ended 31 December 2013 as compared to the previous financial year is analysed as follows:

a) Property development, construction & management services

The Division registered an increase in revenue of RM2.91 million, which represented 3.99% to RM75.76 million for the current financial year as compared to RM72.85 million recorded for the previous financial year. Profit registered an increase of 33.34% to RM36.69 million as compared to RM27.52 million despite a slight increase in revenue. This was mainly due to the improved profit margin contributed by the completion of certain phases of the Amverton Park project in Shah Alam.

b) Manufacturing and trading

The Division recorded a slight decrease of 0.61% in revenue to RM47.62 million for the current financial year as compared to RM47.91 million in the previous financial year. Nonetheless, profit decreased by 12.05% to RM2.98 million as compared with RM3.38 million recorded in the previous financial year. This is mainly due to the lower margin and higher operating expenses due to the implementation of minimum wages at the beginning of the year.

c) Hotel & leisure related services

The Division recorded an increase in revenue of 25.46% to RM14.12 million for the current financial year as compared to RM11.26 million in the previous financial year. The higher revenue was contributed by the newly launched Amverton Cove Golf & Island Resort. However, profit registered a decrease by 22.81% to RM2.41 million as compared with RM3.12 million in the previous financial year. This is mainly due to the initial expenditure incurred for the set up of Amverton Cove Golf & Island Resort.

d) Plantation

The plantation revenue decreased by 28.30% to RM4.77 million for the current financial year as compared with RM6.65 million in the previous financial year. Accordingly, the Division registered a lower profit of RM1.30 million as compared with RM2.35 million in the previous financial year, mainly due to the lower CPO and PK prices.

B2. Variation of results against preceding quarter

| | Current Quarter 31.12.2013 RM'000 | Preceding Quarter 30.09.2013 RM'000 |
|---|--|--|
| Revenue | 45,397 | 36,540 |
| Profit before taxation | 17,599 | 15,322 |
| Profit attributable to equity holders of the parent | 12,747 | 10,420 |

For 4th quarter ended 31 December 2013, the Group registered an increase in revenue to RM45.40 million as compared to RM36.54 million achieved in the preceding quarter. Accordingly, the Group posted a higher profit before taxation and before non-controlling interest of RM17.60 million, an increase of 14.86% as compared to RM15.32 million for the preceding quarter.

The higher profit for the current quarter as compared with the preceding quarter was mainly due to the improved profit margin contributed by the completion of certain phases of the Amverton Park project by the Property Division.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

B3. Prospects for the coming Financial Year

Property development, construction & management services

The property division is expected to continue to generate satisfactory profits from its remaining phases of the Amverton Park project in Shah Alam. For the coming years, the Division has a series of property development projects in the pipeline for launching.

Manufacturing and trading

Despite rising costs of operations, the performance of the Division is expected to remain stable. The Division will implement additional cost control measures and at the same time undertake additional sales promotion activities to further improve overall trading performance for the coming year 2014.

Hotel & leisure related services

With the newly opened Amverton Cove Golf & Island Resort, the Hotel & Leisure Division will continue to contribute positively to the Group's earnings.

Plantation

Palm oil prices have been on a positive uptrend since end of 2013. Should this trend continue, it will have a corresponding effect on the financial performance for the Division for the coming year 2014.

Barring any unforeseen circumstances and based on the aforementioned factors, the Board remains positive that the Group's performance in the coming year is expected to be satisfactory.

B4. Variances from Profit Forecasts and Profit Guarantee

The Group has not provided any profit forecasts and profit guarantees in a public document.

B5. Profit for the year

| | Current Quarter RM'000 | Cumulative year to date RM'000 |
|--|------------------------------|--------------------------------------|
| Profit before taxation is stated after charging/(crediting) : | | |
| Depreciation of property, plant & equipment | 2,404 | 4,500 |
| Gain on disposal of property, plant & equipment | (75) | (83) |
| Interest received | (495) | (2,105) |
| Interest expenses | 3 | 14 |
| | <u>3</u> | <u>14</u> |

B6. Taxation

| | Current Quarter RM'000 | Cumulative year to date RM'000 |
|-------------------------------|------------------------------|--------------------------------------|
| Current taxation | | |
| - for the period | 4,708 | 14,363 |
| Deferred taxation - provision | 162 | (1,988) |
| | <u>4,870</u> | <u>12,375</u> |

The effective tax rate of the Group for the financial year is higher than the statutory tax rate mainly due to certain expenses are not allowable as deduction for tax deduction.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

B7. The Sale of Unquoted Investments and/or Properties

There were no profits or losses on sale of unquoted investment and sale of investment properties for the current financial year.

B8. Particulars of Purchase or Disposal of Quoted Securities

- (a) There were no purchases or disposals of quoted securities for the current financial quarter and current financial year-to-date.
- (b) The investments in quoted shares (other than securities in existing subsidiary and associated companies) as at the end of the reporting year:-

| | RM'000 |
|---------------------------------|------------|
| Quoted shares - at cost | <u>101</u> |
| Quoted shares - at book value | <u>101</u> |
| Quoted shares - at market value | <u>44</u> |

No provision for diminution in value is made as the Board of Directors is of the opinion that the diminution is temporary in nature.

B9. Status of Corporate Proposals

There are no corporate exercises in progress in this quarter ended 31 December 2013, except as disclosed in Note A10.

B10. Group Borrowings and Debt Securities

| | Unsecured RM'000 | Secured RM'000 |
|-----------------------|---------------------|-------------------|
| Short Term Borrowings | 0 | 181 |
| Hire Purchase | | |
| - within 12 months | 0 | 85 |
| - after 12 months | 0 | 577 |
| | 0 | 662 |
| Total | 0 | 843 |

There were no foreign denominated loans as at 31 December 2013.

B11. Off Balance Sheet Financial Instruments

The Group has no financial instruments with off balance sheet risks as at the date of this announcement.

B12. Material Litigation

As at the reporting date, there was no material litigation against the Group.

A & M Realty Berhad (177214-H)

EXPLANATORY NOTES AS REQUIRED BY LISTING REQUIREMENTS OF BURSA SECURITIES

B13. Dividend

The Board of Directors has proposed a first and final single tier dividend of 3% or 1.5 sen per ordinary share of RM0.50 each, in respect of the financial year ended 31 December 2013, which is subject to shareholders' approval at the forthcoming Annual General Meeting. The entitlement and payment dates have yet to be fixed and will be announced later.

B14. Earnings Per Share

Basic Earnings Per Share

The basic earnings per share for the financial year has been calculated based on the Group's net profit for the period and divided by the weighted average number of ordinary shares in issue during the financial year.

| (a) | <u>Individual Period</u> | | <u>Cumulative Period</u> | |
|---|--------------------------|---------------|--------------------------|---------------|
| | 3 months ended | | 12 months ended | |
| | 31.12.2013 | 31.12.2012 | 31.12.2013 | 31.12.2012 |
| Profit for the period (RM'000) | 12,729 | 10,300 | 33,100 | 28,314 |
| Less : Amount attributable to non-controlling interest (RM'000) | 18 | (212) | (1,021) | (1,365) |
| Profit attributable to equity holders (RM'000) | <u>12,747</u> | <u>10,088</u> | <u>32,079</u> | <u>26,949</u> |
| Weighted average number of ordinary shares outstanding ('000) | 365,064 | 365,064 | 365,064 | 365,064 |
| Basic earnings per share (sen) | <u>3.49</u> | <u>2.76</u> | <u>8.79</u> | <u>7.38</u> |

(b) Diluted Earnings Per Share

Diluted earnings per share is not disclosed as it is not applicable.

B15. Provision of financial assistance

The Group has not provided any financial assistance to any parties for the current financial year.

By Order of the Board

BERNARD LIM BOON SIANG
WONG SIEW PENG
Secretaries
27 February 2014