



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
INTERIM REPORT FOR THE THIRD QUARTER  
AND FINANCIAL PERIOD ENDED 30 JUNE 2013**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 30.06.2013 RM'000	(Unaudited) Preceding Year Corresponding Quarter 30.06.2012 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 30.06.2013 RM'000	(Unaudited) Preceding Year-to-Date 30.06.2012 RM'000
<b>CONTINUING OPERATIONS</b>				
<b>Revenue</b>	<b>185,369</b>	138,964	<b>470,439</b>	365,406
Cost of sales	<b>(115,358)</b>	(91,578)	<b>(299,244)</b>	(243,544)
<b>Gross profit</b>	<b>70,011</b>	47,386	<b>171,195</b>	121,862
Other income	<b>6,800</b>	1,517	<b>9,213</b>	3,412
Sales and marketing expenses	<b>(5,517)</b>	(3,892)	<b>(14,699)</b>	(10,519)
Administrative expenses	<b>(13,599)</b>	(11,154)	<b>(40,537)</b>	(32,551)
Other expenses	<b>(7,217)</b>	(14,413)	<b>(11,010)</b>	(17,554)
<b>Profit from operations</b>	<b>50,478</b>	19,444	<b>114,162</b>	64,650
Share of profit of an associate	<b>(188)</b>	6,220	<b>10,551</b>	9,642
Interest expenses	<b>(6,029)</b>	(5,658)	<b>(15,501)</b>	(14,538)
<b>Profit before tax from continuing operations</b>	<b>44,261</b>	20,006	<b>109,212</b>	59,754
Tax expense	<b>(11,901)</b>	(5,866)	<b>(26,618)</b>	(15,410)
<b>Profit for the period from continuing operations</b>	<b>32,360</b>	14,140	<b>82,594</b>	44,344
<b>DISCONTINUED OPERATIONS</b>				
Profit for the period from discontinued operations	-	-	-	1,201
<b>Profit for the period</b>	<b>32,360</b>	14,140	<b>82,594</b>	45,545
<b>Other comprehensive income</b>				
Foreign exchange translation differences	<b>2,435</b>	585	<b>1,598</b>	(10,118)
Income tax relating to components of other comprehensive income	<b>(403)</b>	51	<b>(251)</b>	(4,116)
Other comprehensive income for the period	<b>2,032</b>	636	<b>1,347</b>	(14,234)
<b>Total comprehensive income for the period</b>	<b>34,392</b>	14,776	<b>83,941</b>	31,311
<b>Profit attributable to:</b>				
Owners of the parent	<b>32,318</b>	14,671	<b>79,200</b>	47,113
Non-controlling interest	<b>42</b>	(531)	<b>3,394</b>	(1,568)
	<b>32,360</b>	14,140	<b>82,594</b>	45,545
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	<b>34,348</b>	15,313	<b>80,541</b>	32,885
Non-controlling interest	<b>44</b>	(537)	<b>3,400</b>	(1,574)
	<b>34,392</b>	14,776	<b>83,941</b>	31,311
<b>Earnings per share</b>				
<b>Basic Earnings per ordinary share (sen)</b>	<b>9.47</b>	4.58*	<b>23.21</b>	14.72*
<b>Diluted Earnings per ordinary share (sen)</b>	<b>9.44</b>	n/a	<b>n/a</b>	n/a
<b>Proposed/Declared Dividend per share (sen)</b>	-	-	-	-

\* The Basic EPS has been adjusted to effect the Bonus Issue of 26,458,525 and 29,104,378 new ordinary shares which was completed on 23 May 2012 and 10 January 2013 respectively..

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2012 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
INTERIM FINANCIAL REPORT AS AT 30 JUNE 2013**

	(Unaudited) 30.06.2013	(Restated) 30.09.2012
	RM'000	RM'000
<b>Assets</b>		
Property, plant and equipment	173,681	163,355
Intangible assets	5,651	5,651
Biological assets	230,816	210,400
Prepaid lease payments	28,747	29,145
Investment properties	250,964	237,681
Investment in associated companies	26,889	50,350
Land held for property development	347,611	261,463
Deferred tax assets	23,471	21,704
Receivables, deposits and prepayments	32,349	35,203
<b>Total Non-Current Assets</b>	<b>1,120,179</b>	<b>1,014,952</b>
Property development costs	135,138	128,816
Inventories	55,852	42,880
Amount due from customers on contracts	2,099	1,952
Accrued billings	66,570	100,766
Receivables, deposits and prepayments	161,072	94,463
Current tax assets	2,548	1,087
Cash and cash equivalents	129,771	109,664
<b>Total Current Assets</b>	<b>553,050</b>	<b>479,628</b>
<b>TOTAL ASSETS</b>	<b>1,673,229</b>	<b>1,494,580</b>
<b>Equity</b>		
Share capital	349,252	291,044
Share Premium	21,994	-
Translation reserve	(15,112)	(16,453)
Revaluation reserve	9,030	9,030
Retained earnings	550,960	513,961
<b>Equity attributable to Equity holders of the Company</b>	<b>916,124</b>	<b>797,582</b>
<b>Non-Controlling Interest</b>	<b>23,522</b>	<b>(1,772)</b>
<b>Total Equity</b>	<b>939,646</b>	<b>795,810</b>
<b>Liabilities</b>		
Deferred tax liabilities	34,923	14,981
Provisions	1,876	1,894
Loans and borrowings - long-term	367,564	307,383
Payables, deposits received and accruals	19,115	15,758
<b>Total Non-Current Liabilities</b>	<b>423,478</b>	<b>340,016</b>
Provisions	18,482	18,482
Progress billings	28,339	663
Payables, deposits received and accruals	123,411	139,924
Loans and borrowings - short-term	126,620	192,911
Current tax liabilities	13,253	6,774
<b>Total Current Liabilities</b>	<b>310,105</b>	<b>358,754</b>
<b>Total Liabilities</b>	<b>733,583</b>	<b>698,770</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,673,229</b>	<b>1,494,580</b>
<b>Net Assets per share attributable to shareholders of the Company (RM)</b>	<b>2.62</b>	<b>2.49*</b>

\* The preceding year's net assets per share has been adjusted to effect the Bonus Issue of 29,104,378 new ordinary shares in order to be comparable to current year's net assets per share.

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2012 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
INTERIM REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2013**

Group	< ----- Attributable to owners of the parent ----- >					> ----- Distributable ----- <			
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Revaluation Reserve of Disposal Group Classified as Held for Sale RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Financial period ended 30 June 2013</b>									
<b>At 1.10.2012 (audited)</b>									
As previously stated	291,044	-	(16,453)	9,030	-	491,461	775,082	(1,772)	773,310
Effect of adopting Amendments to FRS 112	-	-	-	-	-	22,500	22,500	-	22,500
<b>As restated</b>	<b>291,044</b>	<b>-</b>	<b>(16,453)</b>	<b>9,030</b>	<b>-</b>	<b>513,961</b>	<b>797,582</b>	<b>(1,772)</b>	<b>795,810</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>1,341</b>	<b>-</b>	<b>-</b>	<b>79,200</b>	<b>80,541</b>	<b>3,400</b>	<b>83,941</b>
<b>Transactions with owners</b>									
Issuance of shares pursuant to Bonus Issue	29,104	-	-	-	-	(29,104)	-	-	-
Issuance of shares pursuant to Rights Issue	29,104	23,284	-	-	-	-	52,388	-	52,388
Issuance of shares pursuant to exercise of Warrants ^	-	-	-	-	-	-	-	-	-
Share issue expenses	-	(1,290)	-	-	-	-	(1,290)	-	(1,290)
Acquisition of equity interest in subsidiary	-	-	-	-	-	-	-	21,894	21,894
Dividends	-	-	-	-	-	(13,097)	(13,097)	-	(13,097)
<b>At 30.06.2013 (unaudited)</b>	<b>349,252</b>	<b>21,994</b>	<b>(15,112)</b>	<b>9,030</b>	<b>-</b>	<b>550,960</b>	<b>916,124</b>	<b>23,522</b>	<b>939,646</b>
<b>Financial period ended 30 June 2012</b>									
<b>At 1.10.2011 (audited)</b>									
As previously stated	264,585	-	6,984	10,102	20,571	431,562	733,804	154	733,958
Effect of adopting Amendments to FRS 112	-	-	-	-	-	19,728	19,728	-	19,728
<b>As restated</b>	<b>264,585</b>	<b>-</b>	<b>6,984</b>	<b>10,102</b>	<b>20,571</b>	<b>451,290</b>	<b>753,532</b>	<b>154</b>	<b>753,686</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(14,228)</b>	<b>-</b>	<b>-</b>	<b>47,113</b>	<b>32,885</b>	<b>(1,574)</b>	<b>31,311</b>
<b>Transactions with owners</b>									
Issuance of shares pursuant to Bonus Issue	26,459	-	-	-	-	(26,459)	-	-	-
Realisation of reserve of disposal group classified as held for sale	-	-	-	(1,071)	(20,571)	21,642	-	-	-
Dividends	-	-	-	-	-	(9,922)	(9,922)	-	(9,922)
<b>At 30.06.2012 (audited)</b>	<b>291,044</b>	<b>-</b>	<b>(7,244)</b>	<b>9,031</b>	<b>-</b>	<b>483,664</b>	<b>776,495</b>	<b>(1,420)</b>	<b>775,075</b>

^ Negligible

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2012 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
INTERIM REPORT FOR THE THIRD QUARTER  
AND FINANCIAL PERIOD ENDED 30 JUNE 2013**

	(Unaudited) 30.06.2013 RM'000	(Unaudited) 30.06.2012 RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation		
- continuing operations	109,212	59,754
- discontinued operations	-	1,542
Adjustments for non-cash items	7,884	17,885
Operating profit before changes in working capital	<u>117,096</u>	<u>79,181</u>
Change in property development costs	16,602	2,593
Change in inventories	2,246	(4,897)
Change in amount due to customers on contracts	(146)	(300)
Change in receivables, deposits and prepayments	(28,228)	(82,466)
Change in payables and accruals	(1,112)	57,549
Cash generated from operations	<u>106,458</u>	<u>51,660</u>
Interest paid	(19,765)	(17,284)
Interest received	1,479	1,118
Tax paid	(19,778)	(11,371)
Tax refund	271	124
<b>Net cash from operating activities</b>	<u>68,665</u>	<u>24,247</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of a subsidiary company, net of cash acquired	(21,930)	-
Additions to investment property	(13,283)	(296)
Additions to land held for property development	(42,925)	(26,282)
Acquisition of property, plant and equipment	(17,728)	(52,169)
Additions to biological assets	(18,423)	(44,731)
Subscription of shares in an associate	(800)	(200)
Disposal of discontinued operations, net of cash and cash equivalents disposed	-	58,790
Dividend received	30,015	-
Proceeds from disposal of property, plant and equipment	147	254
Proceeds from disposal of investment property	-	55
Proceeds from redemption of non-cumulative redeemable preference shares	4,797	2,700
<b>Net cash used in investing activities</b>	<u>(80,130)</u>	<u>(61,879)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares	52,388	-
Dividend paid	(13,097)	(9,922)
Net drawdown/(repayment) of bank borrowings	19,493	109,885
Payments of finance lease liabilities	(1,126)	(1,169)
Proceeds from Government grant	-	250
Share issue expenses	(1,290)	-
<b>Net cash from financing activities</b>	<u>56,368</u>	<u>99,044</u>
<b>Net increase in cash and cash equivalents</b>	<u>44,903</u>	<u>61,412</u>
Effect of exchange rate fluctuations	80	(5,159)
<b>Cash and cash equivalents at beginning of the period</b>	<u>77,528</u>	<u>45,599</u>
<b>Cash and cash equivalents at end of the period</b>	<u>122,511</u>	<u>101,852</u>

The notes on cash and cash equivalents can be referred to paragraph B5 (ii).

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 September 2012 and the accompanying explanatory notes attached to the interim Financial Report.



## EXPLANATORY NOTES

### A1. BASIS OF PREPARATION

The quarterly financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 – Interim Financial Reporting and Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with MKH Berhad’s audited financial statements for the financial year ended 30 September 2012.

### CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial statement are consistent with those adopted for the annual financial statements for the financial year ended 30 September 2012 (“Annual Report 2012”) except for the adoption of the following Revised Financial Reporting Standards (“FRSs”) and Amendments/Improvements to FRSs:

#### Revised FRSs

FRS 124      Related Party Disclosures

#### Amendments/Improvements to FRSs

FRS 1          First-time Adoption of Financial Reporting Standards

FRS 7          Financial Instruments: Disclosures

FRS 101       Presentation of Financial Statements

FRS 112       Income Taxes

The adoption of the above revised FRSs and amendments/improvements to FRSs did not have any significant effect on the financial statements of the Group except for the amendment to FRS 112 Income Taxes. Prior to 1 October 2012, the Group provides for deferred tax liabilities for its investment properties on the basis that the carrying amount of the investment properties will be recovered through use. Upon adoption of this amendment, as there is a presumption that the carrying amount of investment properties measured at fair value will be recovered entirely through sale, deferred tax liability on investment properties will be recognised based on rate applicable to real property gain tax. The effects on the statement of financial position of the Group as at 30 September 2012 arising from the above change in accounting policy will be as follows:

	<b>Increase/ (Decrease) RM'000</b>
<b>Group</b>	
<b>Statement of financial position</b>	
Retained earnings	22,500
Deferred tax liabilities	<u>(22,500)</u>

**New and Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int that are issued, but not yet effective and have not been early adopted**

The Group have not adopted the following new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that have been issued as at the date of authorisation of this interim financial statements but are not yet effective for the Group:

	<b>Effective for financial periods beginning on or after</b>	
<u>New FRSs</u>		
FRS 9	Financial Instruments	1 January 2015
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interest in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investments in Associate and Joint Ventures	1 January 2013
<u>Amendments/Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2013
FRS 7	Financial Instruments: Disclosures	1 January 2013
FRS 10	Consolidated Financial Statements	1 January 2013 and 1 January 2014
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013 and 1 January 2014
FRS 101	Presentation of Financial Instruments	1 January 2013
FRS 116	Property, Plant and Equipment	1 January 2013
FRS 127	Separate Financial Statements	1 January 2014
FRS 132	Financial Instruments: Presentation	1 January 2013 and 1 January 2014
FRS 134	Interim Financial Reporting	1 January 2013
<u>New IC Int</u>		
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
<u>Amendments to IC Int</u>		
IC Int 2	Members' Shares in Co-operative Entities & Similar Instruments	1 January 2013

The brief discussion on the above significant new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that are applicable to the Group can be referred to the Annual Report 2012. The financial effects of their adoption are currently still being assessed by the Group.

**A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors have expressed an unqualified opinion on the Company's statutory financial statements for the financial year ended 30 September 2012 in their report dated 21 December 2012.

**A3. SEASONAL OR CYCLICAL FACTORS**

The Group's operations were not materially affected by seasonal or cyclical factors other than the general effects of the prevailing economic conditions.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and the financial year-to-date.

**A5. CHANGES IN ESTIMATES**

There were no material changes in estimates that have had material effect in the current quarter and the financial year-to-date.

**A6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities except for the renounceable rights issue of 29,104,378 rights shares on the basis of one (1) rights share for every ten (10) existing MKH shares held together with 29,104,378 free detachable warrants and 29,104,378 bonus shares on the basis of one (1) warrant and one (1) bonus share for every one (1) rights share subscribed for at an issue price of RM1.80 for each rights share. The rights issue with warrants and bonus issue was completed on 10 January 2013.

**A7. DIVIDEND PAID**

On 5 March 2013, the Company paid a final dividend of 5.0 sen less 25% tax per ordinary shares of RM1.00 each amounting to RM13,096,977 in respect of the financial year ended 30 September 2012. The dividend was approved by the shareholders during the Annual General Meeting held on 5 February 2013.

## A8. OPERATING SEGMENTS

### (a) Segment Analysis – Business Segments

Financial period ended 30 June 2013

	Property development & construction RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Plantation RM'000	Investment holding RM'000	Non-reportable segment RM'000	Non-Halal (Discontinued Operations) Farming, food processing & retail RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>										
Total external revenue	309,267	24,528	51,360	7,528	76,138	-	1,618	-	-	470,439
Inter-segment revenue	-	-	32	-	-	32,778	-	-	(32,810)	-
Total segment revenue	<u>309,267</u>	<u>24,528</u>	<u>51,392</u>	<u>7,528</u>	<u>76,138</u>	<u>32,778</u>	<u>1,618</u>	<u>-</u>	<u>(32,810)</u>	<u>470,439</u>
<b>Results</b>										
Operating result	77,354	12,969	3,443	(32)	20,274	16,694	554	-	(19,606)	111,650
Interest expense*	(10,743)	(1,730)	-	-	(8,652)	(9,538)	(94)	-	15,256	(15,501)
Interest income**	2,760	20	-	178	76	3,487	6	-	(4,015)	2,512
Share of profits of associates	10,751	(200)	-	-	-	-	-	-	-	10,551
Segment result	<u>80,122</u>	<u>11,059</u>	<u>3,443</u>	<u>146</u>	<u>11,698</u>	<u>10,643</u>	<u>466</u>	<u>-</u>	<u>(8,365)^</u>	<u>109,212</u>
Tax expense										(26,618)
Profit for the period										<u>82,594</u>
<b>Assets</b>										
Segment assets	820,039	291,260	23,569	22,064	425,366	19,331	27,057	-	(8,365)^	1,620,321
Investment in associates	26,157	732	-	-	-	-	-	-	-	26,889
Deferred tax assets										23,471
Current tax assets										2,548
Total assets										<u>1,673,229</u>
<b>Liabilities</b>										
Segment liabilities	317,516	73,600	11,251	2,073	214,932	66,024	11	-	-	685,407
Deferred tax liabilities										34,923
Current tax liabilities										13,253
Total liabilities										<u>733,583</u>
<b>Other segment information</b>										
Depreciation and amortisation	835	1,037	13	312	7,895	16	97	-	-	10,205
Additions to non-current assets other than financial instruments and deferred tax assets	43,557	13,984	-	19	35,195	-	4	-	(8,365)^	84,394
* Included inter-company interest expenses	(3,604)	-	-	-	(7,443)	(4,115)	(94)	-	15,256	-
**Included inter-company interest income	566	-	-	-	-	3,444	5	-	(4,015)	-

^ Inter-company interest eliminated against biological assets

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.



## A8. OPERATING SEGMENTS (continued)

### (a) Segment Analysis – Business Segments (continued)

Financial period ended 30 June 2012

	Property development & construction RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Plantation RM'000	Investment holding RM'000	Non-reportable segment RM'000	Non-Halal (Discontinued Operations) Farming, food processing & retail RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>										
Total external revenue	274,146	22,102	48,407	10,126	9,833	-	792	10,632	-	376,038
Inter-segment revenue	-	-	60	-	-	10,249	-	-	(10,309)	-
Total segment revenue	<u>274,146</u>	<u>22,102</u>	<u>48,467</u>	<u>10,126</u>	<u>9,833</u>	<u>10,249</u>	<u>792</u>	<u>10,632</u>	<u>(10,309)</u>	<u>376,038</u>
<b>Results</b>										
Operating result	65,726	10,340	3,408	840	(12,003)	91	(3,493)	1,601	(1,660)	64,850
Interest expense*	(10,210)	(2,023)	-	-	(42)	(7,090)	(192)	(59)	5,019	(14,597)
Interest income**	1,836	301	3	136	132	2,344	8	-	(3,359)	1,401
Share of profits of an associate	9,642	-	-	-	-	-	-	-	-	9,642
Segment result	<u>66,994</u>	<u>8,618</u>	<u>3,411</u>	<u>976</u>	<u>(11,913)</u>	<u>(4,655)</u>	<u>(3,677)</u>	<u>1,542</u>	<u>-</u>	<u>61,296</u>
Tax expense										(15,751)
Profit for the period										<u>45,545</u>
<b>Assets</b>										
Segment assets	659,125	258,131	21,822	24,720	390,739	11,255	23,261	-	-	1,389,053
Investment in an associate	45,219	-	-	-	-	-	-	-	-	45,219
Deferred tax assets										16,147
Current tax assets										2,372
Total assets										<u>1,452,791</u>
<b>Liabilities</b>										
Segment liabilities	303,228	60,910	8,947	2,405	137,414	135,237	1,294	-	-	649,435
Deferred tax liabilities										34,769
Current tax liabilities										13,240
Total liabilities										<u>697,444</u>
<b>Other segment information</b>										
Depreciation and amortisation	1,036	948	16	302	2,934	16	5	761	-	6,018
Additions to non-current assets other financial instruments and deferred tax assets	27,549	1,683	-	100	80,427	-	9	1,483	-	111,251
* Included inter-company interest expenses	(2,148)	(272)	-	-	(38)	(2,369)	(192)	-	5,019	-
**Included inter-company interest income	748	269	-	-	-	2,334	8	(3,359)	-	-

Note: The construction division has been combined with property development division to form a reportable segment as major part of its revenue is derived from internal property development projects.

**A8. OPERATING SEGMENTS** (continued)  
(b) Segment Analysis – Geographical Segments

	Revenue		Non-current assets	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Malaysia	386,773	345,447	638,859	537,769
The Peoples' Republic of China	7,528	10,126	12,408	12,308
Republic of Indonesia	76,138	9,833	386,203	350,212
	<u>470,439</u>	<u>365,406</u>	<u>1,037,470</u>	<u>900,289</u>
<b>Discontinued operations</b>				
Malaysia	-	10,632	-	-
	<u>470,439</u>	<u>376,038</u>	<u>1,037,470</u>	<u>900,289</u>

*The non-current assets do not include financial instruments and deferred tax assets.*

**A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of property, plant and equipment have been brought forward without any amendments from the previous audited financial statements.

**A10. MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements except as follows:

On 6 August 2013, Pelangi Seri Alam Development Sdn Bhd (“PSADSB”), a subsidiary of the Company has entered into a Share Sale and Purchase Agreement to acquire 1,200,000 ordinary shares of RM1/- each representing 100% of the issued and paid-up share capital of Puncak Alam Resources Sdn Bhd (“PARSB”) for a total cash consideration of RM30,600,000/-. As a result, PARSB become a wholly-owned subsidiary of PSADSB and the Company.

**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group in the current quarter and the financial year-to-date except as follows:

- (i) On 6 February 2013, the Company has entered into a Share Sale and Purchase Agreement to acquire 45,000 ordinary shares of RM1/- each or equivalent to 45% of the issued and paid-up share capital of Budi Bidara Sdn Bhd for a total cash consideration of RM18,000,000/-. The acquisition has been completed on 25 June 2013; and
- (ii) On 17 April 2013, the Company has acquired two (2) existing ordinary shares of RM1/- each representing 100% of the issued and paid-up share capital of Vista Haruman Development Sdn Bhd (“VHDSB”), a shelf company, for a cash consideration of RM1,950/- (including reimbursement of incorporation expenses of RM1,948/-). As a result, VHDSB become a wholly-owned subsidiary of the Company.

**A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

As at 21 August 2013, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report, the net changes in the contingent liabilities of the Company to financial institutions and suppliers for banking and trade credit facilities granted to subsidiary companies since the preceding financial year ended 30 September 2012 recorded an increase of approximately RM90.3 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 21 August 2013 was approximately RM833.3 million and RM512.4 million respectively.

**A13. CAPITAL COMMITMENTS**

The capital commitment of the Group is as follows:

	<b>As at 30.06.2013 RM'000</b>
Approved, contracted but not provided for:	
- Investment property for hotel and property investment division	12,600
- Property, plant and equipment for plantation division	23,100
Approved but not contracted and not provided for:	
- Property, plant and equipment for plantation division	10,300
	<u>46,000</u>

**A14. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the current quarter and the financial year-to-date except the following:

	<b>Current Quarter 30.06.2013 RM'000</b>	<b>Financial Year-to-Date 30.06.2013 RM'000</b>
Sales of development property to:		
-person connected to a Director of the Company	<u>479</u>	<u>479</u>

## **ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

### **B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:**

#### **(i) Third quarter ended 30 June 2013**

The Group recorded higher revenue and profit before tax from continuing operations for the current quarter of RM185.4 million and RM44.3 million as compared to the preceding year corresponding quarter of RM139.0 million and RM20.0 million respectively. The increase in Group's revenue by 33% and profit before tax by 122% were mainly contributed by the plantation division arising from its increase in sales of crude palm oil ("CPO") and palm kernel and the property and construction division from the on-going and new development projects.

#### **(ii) Current year-to-date (YTD) ended 30 June 2013 by Segments**

##### **Property and construction**

This division recorded higher revenue and profit before tax of RM309.3 million and RM80.1 million for the current YTD as compared to the preceding YTD of RM274.1 million and RM67.0 million respectively. The increase in revenue and profit before tax was mainly due to higher percentage of profit recognition of on-going and new development projects namely, Pelangi Semenyih 2, Saville@Melawati, Pelangi Seri Alam, Saville@the Park, Bangsar and Mewah 9 Residence and recognition of bargain purchase gain on acquisition of a subsidiary company amounted to RM4.7 million.

As at 30.06.2013, the Group has locked-in unbilled sales value of RM518.5 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses.

##### **Hotel and property investment**

This division recorded higher revenue and profit before tax of RM24.5 million and RM11.1 million for the current YTD as compared to the preceding YTD of RM22.1 million and RM8.6 million respectively. The increase in revenue and profit before tax was mainly due to increase in average rental rates.

##### **Trading**

This division recorded higher revenue of RM51.4 million as compared to the preceding YTD of RM48.4 million. Despite the increase in revenue, the profit before tax was maintained at RM3.4 million due to higher product mixed of low profit margin building materials.

##### **Manufacturing**

This division recorded lower revenue and profit before tax of RM7.5 million and RM146,000 for the current YTD as compared to the preceding YTD of RM10.1 million and RM1.0 million respectively. The lower revenue and profit before tax was mainly due to insufficient sales revenue and gross profit to absorb certain fixed production and administrative overheads.

**Plantation**

This division recorded CPO and palm kernel revenue totaling RM76.1 million from both matured and immatured palms and profit before tax of RM11.7 million for the current YTD as compared to the preceding YTD revenue of RM9.8 million and loss before tax of RM11.9 million. The profit before tax of RM11.7 million was achieved after charging inter-company interest expenses of RM7.4 million (preceding YTD: RM Nil)

**Investment holding**

This division revenue and profit before tax/(loss before tax) were mainly derived from the inter-group transactions on management fees and interest billings and charging which were eliminated at the Group level.

**Discontinued operations: Non-Halal Livestock farming, food processing and retail**

The Group has completed the disposal of this Non-Halal division on 16 January 2012, there were no revenue and operation profit contribution from this division for the current quarter.

**B2. COMMENT ON MATERIAL CHANGES IN THE PROFIT BEFORE TAX OF THE CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

	3rd Quarter ended 30.06.2013 RM'000	2nd Quarter ended 31.03.2013 RM'000
Profit before tax from:		
- Continuing operations	44,261	19,695
- Discounted operations	-	-
	<u>44,261</u>	<u>19,695</u>

The profit before tax from the continuing operations for the current quarter was higher at RM44.3 million as compared to RM19.7 million in the preceding quarter mainly attributable to higher profit contribution from the property and construction division from the on-going and new development projects namely, Pelangi Semenyih 2, Saville@Melawati, Pelangi Seri Alam, Saville@the Park, Bangsar and Mewah 9 Residence and recognition of bargain purchase gain on acquisition of a subsidiary company amounted to RM4.7 million.

**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

This is not applicable to the Group.

#### **B4. CURRENT YEAR PROSPECTS**

The Board of Directors expect the Group to achieve better results for the financial year ending 30 September 2013 arising from the profit recognition of the ongoing projects that have been launched and sales locked-in in the previous financial years by the property and construction division and the positive profit contribution from the plantation as more palms are entering into maturity stage in the current financial year.

#### **B5. (i) PROFIT BEFORE TAX FROM CONTINUING OPERATIONS**

The profit before tax of the Group from continuing operations is arrived at after (charging)/crediting:

	<b>Current Quarter 30.06.2013 RM'000</b>	<b>Financial year-to-date 30.06.2013 RM'000</b>
Amortization of prepaid lease payments	(197)	(591)
Amortization of biological assets	(1,478)	(3,743)
Depreciation of property, plant and equipment	(2,054)	(5,871)
Interest expense	(6,029)	(15,501)
Net gain/(loss) on foreign exchange:		
- realised	(4,588)	(4,676)
- unrealised	1,481	-
Bargain purchase gain on acquisition of a subsidiary company	4,716	4,716
Interest income	1,378	2,512

#### **(ii) CASH AND CASH EQUIVALENTS**

The cash and cash equivalents at end of the period comprise of the following:

	<b>(Unaudited) 30.06.2013 RM'000</b>	<b>(Unaudited) 30.06.2012 RM'000</b>
<b>Continuing operations</b>		
Cash and bank balances	51,340	27,539
Cash held under housing development accounts	65,714	68,104
Cash held under sinking fund accounts	-	10
Deposits with licensed banks and financial institutions	11,605	30,044
Short term funds	1,112	474
Bank overdrafts	(7,260)	(24,319)

**B6. DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE**

	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding Quarter	Year-to-Date	Year-to-Date
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	-	-	-	10,632
Cost of sales	-	-	-	(7,469)
<b>Gross profit</b>	-	-	-	3,163
Other income	-	-	-	49
Distribution expenses	-	-	-	(259)
Administrative expenses	-	-	-	(1,800)
Other expenses	-	-	-	(164)
<b>Profit from operations</b>	-	-	-	989
Interest expenses	-	-	-	(59)
<b>Profit before tax</b>	-	-	-	930
Tax expense	-	-	-	(341)
Profit from operating activities, net of tax	-	-	-	589
Gain on disposal of discontinued operations	-	-	-	612
<b>Profit for the period</b>	-	-	-	1,201

Included in profit before tax from discontinued operations are:

Depreciation of property, plant and equipment	-	-	-	(761)
Interest expense	-	-	-	(59)
Inventories written off	-	-	-	(23)
Net loss on foreign exchange	-	-	-	(1)

**B7. TAX EXPENSE**

The taxation of the Group from continuing operations comprises of the following: -

	<b>Current Quarter 30.06.2013 RM'000</b>	<b>Financial Year-to-Date 30.06.2013 RM'000</b>
Current taxation		
- income taxation	12,761	24,325
- deferred taxation	(1,059)	2,094
	<u>11,702</u>	<u>26,419</u>
Under provision in prior year	199	199
	<u>11,901</u>	<u>26,618</u>

The effective tax rate applicable to the Group for the financial year-to-date is higher than the statutory rate of taxation as certain expenses were disallowed for tax purposes.

**B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

On 10 January 2013, the Company has completed the renounceable rights issue of 29,104,378 rights shares on the basis of one (1) rights share for every ten (10) existing MKH shares held together with 29,104,378 free detachable warrants and 29,104,378 bonus shares on the basis of one (1) warrant and one (1) bonus share for every one (1) rights share subscribed for at an issue price of RM1.80 for each rights share.

The utilisation of rights issue proceeds are as follows:

	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Deviation RM'000</b>	<b>Intended Time Frame</b>
Repayment of bank borrowings	45,000	45,000	-	Completed
General working capital	5,988	6,098	(110)	Completed
Estimated expenses in relation to the Corporate Exercise	1,400	1,290	110	Completed
	<u>52,388</u>	<u>52,388</u>	<u>-</u>	



## **B9. GROUP BORROWINGS AND DEBT SECURITIES**

The loans and borrowings (including finance lease liabilities) of the Group from continuing operations are as follows: -

	<b>As at 30.06.2013 RM'000</b>
Short-term - unsecured	44,450
Short-term - secured	81,961
Long-term - unsecured	317
Long-term - secured	367,456
	<u>494,184</u>

The Group's loans and borrowings from continuing operations include foreign currency bank borrowings as follows:

	<b>Denominated in United States Dollar USD'000</b>	<b>Denominated in Ringgit Malaysia RM'000</b>
Long-term - secured	<u>60,000</u>	<u>190,637</u>

## **B10. MATERIAL LITIGATION**

There was no material litigation involving the Group during the current quarter under review.

## **B11. DIVIDEND**

The Board of Directors does not recommend any dividend payment for the current quarter ended 30 June 2013.

**B12. EARNINGS PER SHARE (“EPS”)**

	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Year-to-Date</b>	<b>Year-to-Date</b>
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
	<b>(unaudited)</b>	<b>(audited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
<b>BASIC EPS</b>				
Profit attributable to Owners of the parent (RM'000)				
from:				
- continuing operations	<b>32,318</b>	14,671	<b>79,200</b>	45,912
- discontinued operations	-	-	-	1,201
	<b>32,318</b>	14,671	<b>79,200</b>	47,113
<b>Weighted average number of ordinary shares ('000)</b>				
At 1 October 2012	<b>291,044</b>	291,044 <sup>^</sup>	<b>291,044</b>	291,044 <sup>^</sup>
Bonus issue	<b>29,104</b>	29,104 <sup>*</sup>	<b>29,104</b>	29,104 <sup>*</sup>
Rights issue	<b>21,051</b>	-	<b>21,051</b>	-
Exercised Warrants	- <sup>#</sup>	-	- <sup>#</sup>	-
At 30 June 2013	<b>341,199</b>	320,148	<b>341,199</b>	320,148
<b>BASIC EPS (sen)</b>				
from:				
- continuing operations	<b>9.47</b>	4.58 <sup>^</sup> <sup>*</sup>	<b>23.21</b>	14.34 <sup>^</sup> <sup>*</sup>
- discontinued operations	-	-	-	0.38 <sup>^</sup> <sup>*</sup>
	<b>9.47</b>	4.58	<b>23.21</b>	14.72

<sup>^</sup> The EPS has been adjusted to effect the Bonus Issue of 26,458,525 new ordinary shares which was completed on 23 May 2012.

<sup>\*</sup> The EPS has been adjusted to effect the Bonus Issue of 29,104,378 new ordinary shares which was completed on 10 January 2013 as disclosed under paragraph A6.

<sup>#</sup> Exercised of 290 units of warrants during the financial period.

	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current</b>	<b>Preceding</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Year-to-Date</b>	<b>Year-to-Date</b>
	<b>30.06.2013</b>	<b>30.06.2012</b>	<b>30.06.2013</b>	<b>30.06.2012</b>
	<b>(unaudited)</b>	<b>(audited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
<b>DILUTED EPS</b>				
Profit attributable to Owners of the parent (RM'000)				
from:				
- continuing operations	<b>32,318</b>	n/a	<b>n/a</b>	n/a
- discontinued operations	-	n/a	<b>n/a</b>	n/a
	<b>32,318</b>	n/a	<b>n/a</b>	n/a
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	<b>341,199</b>	n/a	<b>n/a</b>	n/a
Effect of dilution: warrants ('000)	<b>1,061</b>	n/a	<b>n/a</b>	n/a
	<b>342,260</b>	n/a	<b>n/a</b>	n/a
<b>DILUTED EPS (sen)</b>				
from:				
- continuing operations	<b>9.44</b>	n/a	<b>n/a</b>	n/a
- discontinued operations	-	n/a	<b>n/a</b>	n/a
	<b>9.44</b>	n/a	<b>n/a</b>	n/a

### **B13. REALISED AND UNREALISED PROFITS OR LOSSES**

The following analysis of realised and unrealised retained earnings of the Group as at the reporting date is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) dated 25 March 2010 and prepared in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

The retained earnings of the Group is analysed as follows:

	<b>As at 30.06.2013 RM'000</b>	<b>(Restated) As at 30.9.2012 RM'000</b>
Total retained earnings of its subsidiaries		
- realised	533,432	526,883
- unrealised	101,769	69,112
	<u>635,201</u>	<u>595,995</u>
Total share of retained earnings from an associate		
- realised	23,639	43,103
	<u>658,840</u>	<u>639,098</u>
Less: Consolidation adjustments	(107,880)	(125,137)
Total retained earnings of the Group	<u><u>550,960</u></u>	<u><u>513,961</u></u>

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.

### **B14. AUTHORISATION FOR ISSUE**

The interim Financial Report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 August 2013.