



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2014**

	(Unaudited) INDIVIDUAL QUARTER Current Year Quarter 30.09.2014 RM'000	(Audited) Preceding Year Corresponding Quarter 30.09.2013 RM'000	(Unaudited) CUMULATIVE QUARTER Current Year-to-Date 30.09.2014 RM'000	(Audited) Preceding Year-to-Date 30.09.2013 RM'000
<b>Revenue</b>	<b>223,614</b>	217,780	<b>806,550</b>	688,219
Cost of sales	<b>(155,995)</b>	(140,793)	<b>(526,179)</b>	(440,037)
<b>Gross profit</b>	<b>67,619</b>	76,987	<b>280,371</b>	248,182
Other income	<b>31,059</b>	39,864	<b>40,037</b>	49,077
Sales and marketing expenses	<b>(6,670)</b>	(8,514)	<b>(25,458)</b>	(23,213)
Administrative expenses	<b>(24,402)</b>	(13,708)	<b>(72,125)</b>	(54,245)
Other expenses	<b>(7,309)</b>	(66,432)	<b>(24,694)</b>	(77,442)
<b>Profit from operations</b>	<b>60,297</b>	28,197	<b>198,131</b>	142,359
Share of profit of associates	<b>442</b>	(237)	<b>2,784</b>	10,314
Interest expenses	<b>(20,385)</b>	(2,719)	<b>(39,486)</b>	(18,220)
<b>Profit before tax</b>	<b>40,354</b>	25,241	<b>161,429</b>	134,453
Tax expense	<b>(12,646)</b>	(688)	<b>(44,179)</b>	(27,306)
<b>Profit for the year</b>	<b>27,708</b>	24,553	<b>117,250</b>	107,147
<b>Other comprehensive income</b>				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Foreign exchange translation differences	<b>(1,257)</b>	1,311	<b>196</b>	2,909
Reclassification of foreign translation reserve to profit or loss	<b>1,767</b>	10,540	<b>1,767</b>	10,540
Actuarial gain	<b>338</b>	-	<b>338</b>	-
Income tax relating to components of other comprehensive income	<b>-</b>	281	<b>-</b>	30
Other comprehensive income for the year	<b>848</b>	12,132	<b>2,301</b>	13,479
<b>Total comprehensive income for the year</b>	<b>28,556</b>	36,685	<b>119,551</b>	120,626
<b>Profit attributable to:</b>				
Owners of the parent	<b>23,245</b>	24,769	<b>102,334</b>	103,969
Non-controlling interest	<b>4,463</b>	(216)	<b>14,916</b>	3,178
	<b>27,708</b>	24,553	<b>117,250</b>	107,147
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	<b>24,079</b>	36,781	<b>104,605</b>	117,322
Non-controlling interest	<b>4,477</b>	(96)	<b>14,946</b>	3,304
	<b>28,556</b>	36,685	<b>119,551</b>	120,626
<b>Earnings per share</b>				
<b>Basic Earnings per ordinary share (sen)</b>	<b>5.54</b>	6.01*	<b>24.41</b>	25.24*
<b>Diluted Earnings per ordinary share (sen)</b>	<b>5.50</b>	6.00*	<b>23.64</b>	25.21*
<b>Proposed/Declared Dividend per share (sen)</b>	<b>-</b>	-	<b>10.00</b>	-

\* The Basic and diluted EPS has been adjusted to effect the Bonus Issue of 69,898,293 new ordinary shares which was completed on 20 May 2014.

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
INTERIM FINANCIAL REPORT AS AT 30 SEPTEMBER 2014**

	(Unaudited) 30.09.2014	(Audited) 30.09.2013
<i>Assets</i>	<b>RM'000</b>	RM'000
Property, plant and equipment	173,841	163,292
Intangible assets	4,758	4,931
Biological assets	223,923	217,596
Prepaid lease payments	27,342	28,226
Investment properties	299,443	263,605
Investment in associated companies	12,436	26,652
Land held for property development	516,697	434,758
Deferred tax assets	19,207	29,948
Receivables, deposits and prepayments	5,128	4,483
<b>Total Non-Current Assets</b>	<b>1,282,775</b>	<b>1,173,491</b>
Property development costs	371,938	277,745
Inventories	37,873	42,231
Accrued billings	125,013	125,039
Receivables, deposits and prepayments	149,607	117,799
Current tax assets	4,037	834
Cash and bank balances	195,952	122,138
Non-current assets classified as held for sale	-	1,249
<b>Total Current Assets</b>	<b>884,420</b>	<b>687,035</b>
<b>TOTAL ASSETS</b>	<b>2,167,195</b>	<b>1,860,526</b>
<i>Equity</i>		
Share capital	419,394	349,253
Share premium	1	13,915
Warrant reserve	8,012	8,080
Translation reserve	(1,150)	(3,100)
Revaluation reserve	9,030	9,030
Retained earnings	596,863	576,154
<b>Equity attributable to Equity holders of the Company</b>	<b>1,032,150</b>	<b>953,332</b>
<b>Non-Controlling Interest</b>	<b>23,140</b>	<b>2,594</b>
<b>Total Equity</b>	<b>1,055,290</b>	<b>955,926</b>
<i>Liabilities</i>		
Deferred tax liabilities	49,840	49,699
Provisions	4,713	3,102
Loans and borrowings - long-term	477,197	414,772
Payables, deposits received and accruals	131,904	92,806
<b>Total Non-Current Liabilities</b>	<b>663,654</b>	<b>560,379</b>
Provisions	19,596	17,918
Progress billings	30,926	8,067
Payables, deposits received and accruals	261,516	201,804
Loans and borrowings - short-term	130,765	107,165
Current tax liabilities	5,448	9,267
<b>Total Current Liabilities</b>	<b>448,251</b>	<b>344,221</b>
<b>Total Liabilities</b>	<b>1,111,905</b>	<b>904,600</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,167,195</b>	<b>1,860,526</b>
<b>Net Assets per share attributable to shareholders of the Company (RM)</b>	<b>2.46</b>	<b>2.27*</b>

*The preceding year's net assets per share has been adjusted to effect the Bonus Issue of 69,898,293 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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



**MKH BERHAD** (Company No. 50948-T)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2014**

	< ----- Attributable to owners of the parent ----- >						Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	< ----- Non-distributable ----- >			Distributable					
Group	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
<b>Financial year ended 30 September 2014</b>									
At 1.10.2013 (audited)	349,253	13,915	8,080	(3,100)	9,030	576,154	953,332	2,594	955,926
Total comprehensive income for the year	-	-	-	1,950	-	102,655	104,605	14,946	119,551
<b>Transactions with owners</b>									
Issuance of shares pursuant to									
- Bonus issue	69,898	(14,146)	-	-	-	(55,752)	-	-	-
- Warrants	243	372	(68)	-	-	-	547	-	547
Share issue expenses	-	(140)	-	-	-	-	(140)	-	(140)
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	5,600	5,600
Dividends	-	-	-	-	-	(26,194)	(26,194)	-	(26,194)
<b>At 30.09.2014 (unaudited)</b>	<b>419,394</b>	<b>1</b>	<b>8,012</b>	<b>(1,150)</b>	<b>9,030</b>	<b>596,863</b>	<b>1,032,150</b>	<b>23,140</b>	<b>1,055,290</b>



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2014 (continued)**

Group	Attributable to owners of the parent						Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Non-distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
<b>Financial year ended 30 September 2013</b>									
At 1.10.2012 (audited)	291,044	-	-	(16,453)	9,030	513,961	797,582	(1,772)	795,810
<b>Total comprehensive income for the year</b>	-	-	-	13,353	-	103,969	117,322	3,304	120,626
<b>Transactions with owners</b>									
Issuance of shares pursuant to	-	-	-	-	-	-	-	-	-
- Bonus issue	29,104	-	-	-	-	(29,104)	-	-	-
- Rights issue with warrants	29,104	15,204	8,080	-	-	-	52,388	-	52,388
- Warrants	1	1	-	-	-	-	2	-	2
Share issue expenses	-	(1,290)	-	-	-	-	(1,290)	-	(1,290)
Non-controlling interest in respect of subsidiary acquired	-	-	-	-	-	-	-	18,674	18,674
Changes of ownership interest in a subsidiary	-	-	-	-	-	425	425	(18,425)	(18,000)
Issuance of shares by a subsidiary to non-controlling interest	-	-	-	-	-	-	-	813	813
Dividends	-	-	-	-	-	(13,097)	(13,097)	-	(13,097)
<b>At 30.09.2013 (audited)</b>	<b>349,253</b>	<b>13,915</b>	<b>8,080</b>	<b>(3,100)</b>	<b>9,030</b>	<b>576,154</b>	<b>953,332</b>	<b>2,594</b>	<b>955,926</b>

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 2013 and the accompanying explanatory notes attached to the interim Financial Report.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
INTERIM REPORT FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2014**

	(Unaudited) 30.09.2014 RM'000	(Audited) 30.09.2013 RM'000
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	161,429	134,453
Adjustments for non-cash items	52,108	43,972
Operating profit before changes in working capital	<u>213,537</u>	<u>178,425</u>
Change in property development costs	(34,870)	5,032
Change in inventories	9,490	21,473
Change in amount due to customers on contracts	-	1,952
Change in receivables, deposits and prepayments	(30,865)	(14,220)
Change in payables and accruals	109,348	(22,580)
Cash generated from operations	<u>266,640</u>	<u>170,082</u>
Interest paid	(36,706)	(28,586)
Interest received	2,624	2,058
Tax paid	(43,196)	(36,312)
Tax refunded	2,942	1,972
Retirement benefits obligations paid	(121)	(544)
Rectification paid	-	(806)
<b>Net cash from operating activities</b>	<u>192,183</u>	<u>107,864</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of a subsidiary company, net of cash acquired	13	(53,350)
Additions to investment property	(5,540)	(22,113)
Additions to land held for property development	(150,385)	(56,967)
Acquisition of property, plant and equipment	(23,662)	(23,578)
Additions to biological assets	(15,519)	(24,257)
Acquisition of non-controlling interest in a subsidiary	-	(18,000)
Subscription of shares in an associate	(1,000)	(800)
Dividend received	18,000	30,015
Placement of fixed deposits	(7,026)	-
Proceeds from disposal of property, plant and equipment	83	440
Proceeds from disposal of land held for property development	5	-
Proceeds from redemption of non-cumulative redeemable preference shares	-	4,797
Proceeds from disposal of non-current assets classified as held for sale	1,249	-
<b>Net cash used in investing activities</b>	<u>(183,782)</u>	<u>(163,813)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of shares	407	52,390
Dividend paid	(26,194)	(13,097)
Net drawdown of bank borrowings	83,766	61,265
Payments of finance lease liabilities	(2,212)	(926)
Proceeds from issuance of shares by a subsidiary to minority shareholder	5,600	813
Share issue expenses	-	(1,290)
<b>Net cash from financing activities</b>	<u>61,367</u>	<u>99,155</u>
<b>Net increase in cash and cash equivalents</b>	<u>69,768</u>	<u>43,206</u>
Effect of exchange rate fluctuations	(203)	(2,103)
<b>Cash and cash equivalents at beginning of the year</b>	<u>118,631</u>	<u>77,528</u>
<b>Cash and cash equivalents at end of the year</b>	<u>188,196</u>	<u>118,631</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 2013 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 2013.

### 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 2013 (“Annual Report 2013”) except for the adoption of the following Revised Financial Reporting Standards (“FRSs”) and Amendments/Improvements to FRSs:

#### New FRSs

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement

#### Revised FRSs

FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investments in Associates and Joint Ventures

#### Amendments/Improvements to FRSs

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 7	Financial Instruments: Disclosures
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interest in Other Entities
FRS 101	Presentation of Financial Statements
FRS 116	Property, plant and equipment
FRS 132	Financial Instruments: Presentation
FRS 134	Interim Financial Reporting

#### New IC Int

IC Int 20	Stripping Costs in the Production Phase of a Surface Mine
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#### Amendments to IC Int

IC Int 2	Members’ Shares in Co-operative Entities & Similar Instruments
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The adoption of the above new FRSs, revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int did not have any significant effect on the financial statements of the Group.

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

The Group have not adopted the following new FRSs, amendments/improvements to FRSs and new 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 FRS</u>		
FRS 9	Financial Instruments	To be announced by the MASB
FRS 14	Regulatory Deferral Accounts	1 January 2016
<u>Amendments/Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2014
FRS 2	Share-based Payment	1 July 2014
FRS 3	Business Combinations	1 July 2014
FRS 7	Financial Instruments: Disclosures	Applies when FRS 9 is applied
FRS 8	Operating Segments	1 July 2014
FRS 9	Financial Instruments	To be announced by the MASB
FRS 10	Consolidated Financial Statements	1 January 2014
FRS 11	Joint Arrangements	1 January 2016
FRS 12	Disclosure of Interests in Other Entities	1 January 2014
FRS 13	Fair Value Measurement	1 July 2014
FRS 116	Property, Plant and Equipment	1 July 2014 and 1 January 2016
FRS 119	Employee Benefits	1 July 2014
FRS 124	Related Party Disclosures	1 July 2014
FRS 127	Separate Financial Statements	1 January 2014
FRS 132	Financial Instruments: Presentation	1 January 2014
FRS 136	Impairment of Assets	1 January 2014
FRS 138	Intangible Assets	1 July 2014 and 1 January 2016
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2014
FRS 139	Financial Instruments: Recognition and Measurement	Applies when FRS 9 is applied
FRS 140	Investment Property	1 July 2014
<u>New IC Int</u>		
IC Int 21	Levies	1 January 2014

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 2013. 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 2013 in their report dated 6 January 2014

**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 in the current quarter and the financial year-to-date except as follows:

- (i) issuance of 241,463 ordinary shares of RM1/- each pursuant to the exercised of 241,463 warrants at an exercise price of RM2.26 per ordinary share;
- (ii) issuance of 529 ordinary shares of RM1/- each pursuant to the exercised of 529 warrants at an exercise price of RM1.89 per ordinary share; and
- (iii) bonus issue of 69,898,293 new ordinary shares and 5,772,221 additional warrants (arising from the adjustments made in accordance with the Provisions under the Deed Poll constituting the warrants dated 23 November 2012) consequential to the bonus issue on the basis of one (1) bonus share for every five (5) existing MKH shares held as at 5.00 p.m. on 19 May 2014. The bonus issue was completed on 20 May 2014.

**A7. DIVIDEND PAID**

A first interim dividend of 10.0 sen less 25% tax per ordinary share in respect of financial year ended 30 September 2013 amounting to RM26,194,005 was declared on 10 December 2013 and paid on 31 December 2013.

A first interim single tier dividend of 8.0 sen per ordinary share in respect of financial year ended 30 September 2014 amounting to RM33,551,728 was declared on 10 October 2014 and paid on 11 November 2014.



## A8. OPERATING SEGMENTS

### (a) Segment Analysis – Business Segments

Financial year ended 30 September 2014

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>									
Total external revenue	530,001	164,753	41,330	57,140	12,148	-	1,178	-	806,550
Inter-segment revenue	18,202	-	-	880	-	44,950	-	(64,032)	-
Total segment revenue	548,203	164,753	41,330	58,020	12,148	44,950	1,178	(64,032)	806,550
<b>Results</b>									
Operating result <sup>#</sup>	111,482	41,254	39,746	3,839	878	20,580	(394)	(23,291)	194,094
Interest expense*	(34,997)	(19,373)	(2,997)	-	-	(13,229)	(129)	31,239	(39,486)
Interest income**	5,224	354	62	-	157	6,295	2	(8,057)	4,037
Share of profits of associates	3,532	-	(748)	-	-	-	-	-	2,784
Segment result	85,241	22,235	36,063	3,839	1,035	13,646	(521)	(109)	161,429
Tax expense									(44,179)
Profit for the period									117,250
<b>Assets</b>									
Segment assets	1,269,624	440,794	342,425	21,226	23,159	17,517	16,879	(109)	2,131,515
Investment in associated companies	11,546	-	890	-	-	-	-	-	12,436
Deferred tax assets									19,207
Current tax assets									4,037
Total assets									2,167,195
<b>Liabilities</b>									
Segment liabilities	591,535	307,230	70,854	6,933	1,824	77,072	1,169	-	1,056,617
Deferred tax liabilities									49,840
Current tax liabilities									5,448
Total liabilities									1,111,905
<b>Other segment information</b>									
Depreciation and amortisation	1,140	15,820	1,581	19	411	20	128	-	19,119
Additions to non-current assets other than financial instruments and deferred tax assets	153,256	38,516	6,874	38	67	-	8	(109)	198,650
* Included inter-company interest expense	(14,306)	(7,440)	(1)	-	-	(8,397)	(129)	30,273	-
** Included inter-company interest income	1,875	-	-	-	-	6,182	-	(8,057)	-
# Included unrealised foreign exchange loss	-	(17,790)	-	-	-	(3)	-	-	(17,793)
# Included realised foreign exchange (loss)/gain	-	(1,638)	-	-	29	(27)	-	-	(1,636)

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 year ended 30 September 2013

	Property development & construction RM'000	Plantation RM'000	Hotel & property investment RM'000	Trading RM'000	Manu- facturing RM'000	Investment holding RM'000	Non-reportable segment RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue</b>									
Total external revenue	476,095	101,147	32,341	67,091	9,476	-	2,069	-	688,219
Inter-segment revenue	-	-	5,480	1,161	-	148,946	-	(155,587)	-
Total segment revenue	476,095	101,147	37,821	68,252	9,476	148,946	2,069	(155,587)	688,219
<b>Results</b>									
Operating result <sup>#</sup>	148,271	(36,667)	19,388	4,501	(204)	21,650	364	(19,747)	137,556
Interest expense*	(19,500)	(8,406)	(2,418)	-	-	(14,989)	(320)	28,169	(17,464)
Interest income**	4,407	208	26	-	224	7,597	7	(8,422)	4,047
Share of profits of associates	10,608	-	(294)	-	-	-	-	-	10,314
Segment result	143,786	(44,865)	16,702	4,501	20	14,258	51	-	134,453
Tax expense									(27,306)
Profit for the period									107,147
<b>Assets</b>									
Segment assets	1,048,959	388,063	304,324	20,911	22,360	3,523	14,952	-	1,803,092
Investment in associated companies	26,014	-	638	-	-	-	-	-	26,652
Deferred tax assets									29,948
Current tax assets									834
Total assets									1,860,526
<b>Liabilities</b>									
Segment liabilities	425,811	272,709	69,109	10,271	1,949	64,642	1,143	-	845,634
Deferred tax liabilities									49,699
Current tax liabilities									9,267
Total liabilities									904,600
<b>Other segment information</b>									
Depreciation and amortisation	1,131	10,835	1,392	17	411	21	111	-	13,918
Additions to non-current assets other than financial instruments and deferred tax assets	58,308	54,401	23,451	-	22	-	205	-	136,387
* Included inter-company interest expense	(3,604)	(7,443)	-	-	-	(4,115)	(94)	15,256	-
** Included inter-company interest income	566	-	-	-	-	3,444	5	(4,015)	-
# Included unrealised foreign exchange loss	-	(49,556)	-	-	-	(809)	(592)	-	(50,957)
# Included realised foreign exchange loss	-	(17,459)	-	-	(152)	(214)	-	-	(17,825)

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	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Malaysia	629,649	577,596	867,748	749,874
The Peoples' Republic of China	12,148	9,476	12,346	12,677
Republic of Indonesia	164,753	101,147	368,419	352,233
	<u>806,550</u>	<u>688,219</u>	<u>1,248,513</u>	<u>1,114,784</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:

- (i) On 24 July 2014, the Company has acquired 2 ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Danau Saujana Sdn Bhd (“DSSB”), for a cash consideration of RM2. As a result, DSSB became a wholly-owned subsidiary of the Company; and
- (ii) On 8 August 2014, the Company has acquired 2 ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Pelangi Binaraya Sdn Bhd (“PBSB”) and Suria Villa Sdn Bhd (“SVSB”) respectively, for a total cash consideration of RM4. As a result, PBSB and SVSB became a wholly-owned subsidiary of 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 21 October 2013, the Company has acquired 2 ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Petik Mekar Sdn Bhd (“PMSB”), for a cash consideration of RM2. As a result, PMSB became a wholly-owned subsidiary of the Company; and
- (ii) On 13 March 2014, Gabung Wajib Sdn Bhd (“GWSB”), a subsidiary of the Company has acquired two (2) existing ordinary shares of RM1/- each representing the entire issued and paid-up share capital of Alif Mesra Sdn Bhd (“AMSB”), for a cash consideration of RM2. As a result, AMSB become a wholly-owned subsidiary of GWSB and the Company. On 21 April 2014, GWSB subscribed for additional 649,998 ordinary shares of RM1/- each representing 65% of the total allotment of 999,998 ordinary shares for a total cash consideration of RM649,998. Consequently, AMSB became a 65% owned subsidiary of GWSB and the Company.

## A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 20 November 2014, 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 2013 recorded an increase of approximately RM99.4 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 20 November 2014 was approximately RM1.0 billion and RM636.4 million respectively.

## A13. CAPITAL COMMITMENTS

The capital commitment of the Group is as follows:

	<b>As at 30.09.2014 RM'000</b>
Approved, contracted but not provided for:	
- Property, plant and equipment for plantation division	9,600
	<u>9,600</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 30.09.2014 RM'000</b>	<b>Financial Year-to-Date 30.09.2014 RM'000</b>
Sales of development properties to:		
- Directors of the Company	-	4,053
- Person connected to certain Directors of the Company	1,428	2,870
- Corporation in which a Director of the Company has interest	-	7,380
- Other key management personnel of the Group	-	632
	<u>1,428</u>	<u>14,935</u>

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

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

**(i) Fourth quarter ended 30 September 2014**

The Group recorded higher revenue and profit before tax of RM223.6 million and RM40.4 million for the current quarter as compared to the preceding year corresponding quarter of RM217.8 million and RM25.2 million respectively. The increase in the profit before tax by 60% was mainly due to higher gain on changes in fair value of investment properties of RM22.2 million in the current quarter as compared to the preceding year correspondence quarter of RM3.8 million and lower unrealised foreign exchange losses of RM5.3 million in the current quarter as compared to the preceding year corresponding quarter of RM51.0 million, which resulted from the Plantation division's United States Dollar ("USD") and Malaysian Ringgit ("RM") borrowings following the Indonesian Rupiah has weaken against the USD and the RM.

The profit before tax excluding the unrealised foreign exchange losses was lower at RM45.7 million for the current quarter as compared to the preceding year corresponding quarter of RM76.2 million mainly due to absent of gain on bargain purchase on acquisition of subsidiaries for property development in the current quarter as compared to the preceding year corresponding quarter of RM31.2 million.

The profit contribution from the property and construction division for the current quarter was lower than the preceding year corresponding quarter mainly due to reasons as disclosed in the following paragraph B1(ii) below.

**(ii) Financial year ended 30 September 2014 by Segments**

**Property and construction**

Despite the increase in revenue of RM530.0 million for the current year as compared to preceding year of RM476.1 million, this division recorded lower profit before tax of RM85.2 million for current year as compared to preceding year of RM143.8 million mainly due to absent of gain on bargain purchase on acquisition of subsidiaries for property development in the current year as compared to the preceding year of RM31.2 million, higher interest expense of RM35.0 million in the current year as compared to the preceding year of RM19.5 million and lower share of profit of an associate following the completion and handing over vacant possession of Areca Residence in the preceding year and lower profit recognition from newly launched projects, namely Hill Park Shah Alam, Pelangi Heights, Kajang East and MKH Avenue still at preliminary stage of development.

The higher interest expense of RM35.0 million was mainly due to inclusion of RM10.7 million in respect of unwinding of discounted trade payables, ie. landowners' entitlement, as compared to the preceding year of RM0.5 million.

As at 30.9.2014, the Group has locked-in unbilled sales value of RM822.9 million from which attributed sales revenue and profits will be recognised progressively as their development percentage of completion progresses.

### **Plantation**

This division recorded higher revenue and profit before tax from the sale of CPO and palm kernel of RM164.8 million and RM22.2 million respectively for the current year as compared to the preceding year of RM101.1 million and loss before tax of RM44.9 million. The turnaround from loss before tax to profit before tax was mainly due to higher revenue and gross profit coupled with lower unrealised foreign exchange losses of RM17.8 million as compared to the preceding year of RM49.6 million. The unrealised foreign exchange losses were mainly due to weakening of the Rupiah against the USD and the RM from its USD and RM borrowings. The profit before tax excluding the unrealised foreign exchange losses for the current year of RM40.0 million was higher than the preceding year profit before tax of RM4.7 million mainly due to higher revenue and gross profit.

### **Hotel and property investment**

This division recorded higher revenue and profit before tax of RM41.3 million and RM36.1 million for the current year as compared to the preceding year of RM32.3 million and RM16.7 million respectively. The higher profit before tax was mainly due to higher gain on changes in fair value of investment properties of RM22.2 million in the current year as compared to the preceding year of RM3.8 million.

### **Trading**

This division recorded lower revenue and profit before tax of RM57.1 million and RM3.8 million for the current year as compared to the preceding year of RM67.1 million and RM4.5 million respectively mainly due to lower building material sales to external subcontractors for the group's development projects that are still at preliminary stage of development.

### **Manufacturing**

This division recorded higher revenue and profit before tax of RM12.1 million and RM1.0 million for the current year as compared to the preceding year of RM9.4 million and RM20,000 respectively.

### **Investment holding**

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

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

	<b>Current Quarter</b>	<b>Immediate Preceding Quarter</b>
	<b>30.09.2014</b>	<b>30.06.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit before tax	<u>40,354</u>	<u>21,082</u>

The profit before tax for the current quarter of RM40.4 million was higher as compared to the preceding quarter of RM21.1 million was mainly due to inclusion of gain on changes in fair value of investment properties of RM22.2 million and lower unrealised foreign exchange losses of RM5.3 million in the current quarter as compared to the immediate preceding quarter's unrealised foreign exchange losses of RM21.9 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 satisfactory results for the financial year ending 30 September 2015 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 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 30.09.2014 RM'000</b>	<b>Financial year-to-date 30.09.2014 RM'000</b>
Amortization of prepaid lease payments	(193)	(776)
Amortization of biological assets	(2,494)	(8,597)
Depreciation of property, plant and equipment	(2,657)	(9,746)
Impairment loss on:		
- receivables	(58)	(58)
Bad debts written off	7	(26)
Interest expense	(20,385)	(39,486)
Changes in fair value of investment properties	22,197	22,197
Net gain/(loss) on foreign exchange:		
- realised	1	(1,636)
- unrealised	(5,313)	(17,793)
Interest income	2,195	4,037
Reversal of impairment loss on:		
- receivables	125	232
Bad debts recovered	20	122

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

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

	<b>(Unaudited) 30.09.2014 RM'000</b>	<b>(Audited) 30.09.2013 RM'000</b>
Cash and bank balances	71,371	58,359
Cash held under housing development accounts	89,799	56,374
Deposits with licensed banks	34,783	5,768
Short term funds	-	1,637
Bank overdrafts	(731)	(3,507)
	<u>195,222</u>	<u>118,631</u>
Less: non highly liquid fixed deposits	<u>(7,026)</u>	<u>-</u>
	<u><u>188,196</u></u>	<u><u>118,631</u></u>

**B6. TAX EXPENSE**

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

	<b>Current Quarter 30.09.2014 RM'000</b>	<b>Financial Year-to-Date 30.09.2014 RM'000</b>
Current taxation		
- income taxation	9,571	33,406
- deferred taxation	3,290	11,183
	<u>12,861</u>	<u>44,589</u>
Under provision in prior year	(215)	(410)
	<u>12,646</u>	<u>44,179</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.

**B7. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

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

**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 30.09.2014 RM'000</b>
Short-term - unsecured	23,187
Short-term - secured	107,578
Long-term - unsecured	2,250
Long-term - secured	474,947
	<u>607,962</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	85,000	278,200
	<u>85,000</u>	<u>278,200</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 fourth quarter ended 30 September 2014 except as disclosed in paragraph A7.

## B12. EARNINGS PER SHARE (“EPS”)

	<b>Current Year Quarter 30.09.2014 (unaudited)</b>	<b>Preceding Year Corresponding Quarter 30.09.2013 (unaudited)</b>	<b>Current Year-to-Date 30.09.2014 (unaudited)</b>	<b>Preceding Year-to-Date 30.09.2013 (unaudited)</b>
<b>BASIC EPS</b>				
Profit attributable to Owners of the parent (RM'000)	<b>23,245</b>	24,769	<b>102,334</b>	103,969
Weighted average number of ordinary shares ('000)				
At 1 October 2013/2012	<b>349,253</b>	291,044	<b>349,253</b>	291,044
Bonus issue and Rights issue*	<b>69,898</b>	120,917	<b>69,898</b>	120,917
Exercised Warrants	<b>101</b>	-	<b>101</b>	-
At 31 March 2014/2013	<b>419,252</b>	411,961	<b>419,252</b>	411,961
<b>BASIC EPS (sen)</b>	<b>5.54</b>	6.01	<b>24.41</b>	25.24
<b>DILUTED EPS</b>				
Profit attributable to Owners of the parent (RM'000)	<b>23,245</b>	24,769	<b>102,334</b>	103,969
Adjusted weighted average number of ordinary shares in issue and issuable ('000)				
Weighted average number of ordinary shares ('000)	<b>419,252</b>	411,961	<b>419,252</b>	411,961
Effect of dilution: warrants (‘000)	<b>3,647</b>	868	<b>13,653</b>	415
At 31 March 2014/2013	<b>422,899</b>	412,829	<b>432,905</b>	412,376
<b>DILUTED EPS (sen)</b>	<b>5.50</b>	6.00	<b>23.64</b>	25.21

\* The EPS has been adjusted to effect the Bonus Issue of 69,898,293 new ordinary shares which was completed on 20 May 2014.

### **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 30.09.2014 RM'000</b>	<b>(Audited) As at 30.09.2013 RM'000</b>
Total retained earnings of its subsidiaries		
- realised	614,885	598,600
- unrealised	102,945	73,372
	<u>717,830</u>	<u>671,972</u>
Total share of retained earnings from an associate		
- realised	8,186	23,402
	<u>726,016</u>	<u>695,374</u>
Less: Consolidation adjustments	(129,153)	(119,220)
Total retained earnings of the Group	<u><u>596,863</u></u>	<u><u>576,154</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 November 2014.