**Condensed Consolidated Income Statements**

For the Twelve-Month Ended 31 December 2009

(The figures have not been audited)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Note** | **3 months ended**  **31 December** | | **12 months ended**  **31 December** | |
|  |  | **2009** | **2008** | **2009** | **2008** |
|  |  | **RM** | **RM** | **RM** | **RM** |
|  |  |  |  |  |  |
| Revenue | 4 | **69,906,459** | 72,265,792 | **214,288,360** | 263,292,219 |
| Cost of sales |  | **(59,447,578)** | (61,958,651) | **(180,503,150)** | (225,932,712) |
| Gross profit |  | **10,458,881** | 10,307,141 | **33,785,210** | 37,359,507 |
| Other operating income |  | **4,822,002** | 5,290,718 | **11,522,229** | 11,916,942 |
| Administrative expenses |  | **(6,719,665)** | (9,070,773) | **(17,929,791)** | (22,341,781) |
| Profit from operations | 4 | **8,561,218** | 6,527,086 | **27,377,648** | 26,934,668 |
| Share of profit of jointly controlled entity |  | **125,045** | - | **125,045** | - |
| Finance costs |  | **(2,038,258)** | (4,519,395) | **(7,370,304)** | (7,364,677) |
| Profit before taxation |  | **6,648,005** | 2,007,691 | **20,132,389** | 19,569,991 |
| Income tax expense | 20 | **(2,389,815)** | 288,542 | **(6,072,216)** | (4,609,189) |
| Profit for the period |  | **4,258,190** | 2,296,233 | **14,060,173** | 14,960,802 |
|  |  |  |  |  |  |
| Attributable to: |  |  |  |  |  |
| Equity holders of the parent |  | **4,262,613** | 2,296,121 | **14,064,185** | 14,963,132 |
| Minority interests |  | **(4,423)** | 112 | **(4,012)** | (2,330) |
|  |  | **4,258,190** | 2,296,233 | **14,060,173** | 14,960,802 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| Basic earnings per share (sen)  Diluted earnings per share (sen) | 27 | **6.44**  **6.44** | 3.47  3.47 | **21.25**  **21.25** | 22.60  22.60 |

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Balance Sheets**

As at 31 December 2009

(The figures have not been audited)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Note** |  | **31.12.2009**  **RM** |  | **31.12.2008**  **RM** |
|  |  |  |  |  |  |
| **Non-current assets** |  |  |  |  |  |
| Property, plant & equipment | 11 |  | **44,397,275** |  | 48,781,527 |
| Land held for development |  |  | **108,914,547** |  | 104,647,325 |
| Investment property |  |  | **8,793,891** |  | 8,872,268 |
| Prepaid interest in leased land |  |  | **6,952,131** |  | 6,797,743 |
| Investment in jointly controlled entities |  |  | **727,910** |  | 602,865 |
| Other investments |  |  | **491,136** |  | 491,137 |
| Receivables |  |  | **53,975,953** |  | 69,481,505 |
| Deferred tax assets |  |  | **1,462,000** |  | 465,654 |
|  |  |  | **225,714,843** |  | 240,140,024 |
| **Current assets** |  |  |  |  |  |
| Property development costs |  |  | **8,736,574** |  | 17,323,299 |
| Inventories |  |  | **7,792,055** |  | 4,207,321 |
| Trade and other receivables |  |  | **104,257,735** |  | 110,742,959 |
| Current tax assets |  |  | **900,653** |  | 1,560,668 |
| Cash & bank balances |  |  | **73,450,052** |  | 58,523,401 |
|  |  |  | **195,137,069** |  | 192,357,648 |
| **TOTAL ASSETS** |  |  | **420,851,912** |  | 432,497,672 |
| **EQUITY AND LIABILITIES** |  |  |  |  |  |
| **Financed by :** |  |  |  |  |  |
| Share capital |  |  | **66,196,256** |  | 66,196,256 |
| Other reserve |  |  | **15,901,907** |  | 15,901,907 |
| Retained profits |  |  | **114,673,246** |  | 103,091,417 |
|  |  |  | **196,771,409** |  | 185,189,580 |
|  |  |  |  |  |  |
| **Minority interest** |  |  | **8,092,146** |  | 8,096,157 |
| **Total equity** |  |  | **204,863,555** |  | 193,285,737 |

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Balance Sheets (cont’)**

As at 31 December 2009

(The figures have not been audited)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Note** | **31.12.2009**  **RM** |  | **31.12.2008**  **RM** |
| **Non-current liabilities** |  |  |  |  |
| Long term borrowings | 23 | **107,368,866** |  | 70,575,811 |
| Deferred taxation |  | **1,758,004** |  | 1,770,644 |
|  |  | **109,126,870** |  | 72,346,455 |
| **Current liabilities** |  |  |  |  |
| Borrowings |  | **23,074,389** |  | 68,232,780 |
| Trade and other payables |  | **83,079,300** |  | 98,076,847 |
| Current tax payable |  | **687,749** |  | 532,978 |
| Dividends payable |  | **20,049** |  | 22,875 |
|  |  | **106,861,487** |  | 166,865,480 |
| **Total liabilities** |  | **215,988,357** |  | 239,211,935 |
|  |  |  |  |  |
| **TOTAL EQUITY AND LIABILITIES** |  | **420,851,912** |  | 432,497,672 |

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Changes in Equity**

For the Twelve-Month Ended 31 December 2009

(The figures have not been audited)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Attributable to Equity Holders of the Parent** | | | | | | | | | | |
|  |  |  | | **Non-Distributable** | | | **Distributable** | |  | |  | | |
|  |  | **Share capital**  **RM 000’** | **Share premium**  **RM 000’** | **Other Reserves**  **RM 000’** | **Retained profits**  **RM 000’** | **Total RM000’** | **Minority interest**  **RM 000’** | | **Total Equity**  **RM 000’** |
|  |  |  |  |  |  |  |  | |  |
| At 1 January 2008 : |  | 66,196 | 15,892 | (26) | 90,577 | 172,639 | 8,078 | 180,717 | |
| Foreign currency translation |  | **-** | **-** | 37 | - | 37 | - | 37 | |
| Dividend paid |  | **-** | **-** | - | (2,449) | (2,449) | - | (2,449) | |
| Profit for the period |  | **-** | **-** | - | 14,963 | 14,963 | (2) | 14,961 | |
| Disposal of share in a subsidiary |  |  |  |  |  |  | 20 | 20 | |
| **At 31 December 2008** |  | **66,196** | **15,892** | **11** | **103,091** | **185,190** | **8,096** | **193,286** | |
|  |  |  |  |  |  |  |  | |  | | |
|  |  |  |  |  |  |  |  | |  | | |
|  |  |  |  |  |  |  |  | |  | |
| At 1 January 2009 : |  | 66,196 | 15,892 | 11 | 103,091 | 185,190 | 8,096 | 193,286 | |
| Dividend paid |  | **-** | **-** | - | (2,482) | (2,482) | - | (2,482) | |
| Profit for the period |  | **-** | **-** | - | 14,064 | 14,064 | (4) | 14,060 | |
| **At 31 December 2009** |  | **66,196** | **15,892** | **11** | **114,673** | **196,772** | **8,092** | **204,864** | |

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Cash Flow Statements**

For the Twelve-Month Ended 31 December 2009

(The figures have not been audited)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **12 months ended** | | |
|  | **31.12. 2009**  **RM** |  | **31.12.2008**  **RM** |
|  |  |  |  |
| Net cash generated from/(used in) operating activities | **26,613,566** |  | (11,565,641) |
| Net cash used in investing activities | **(836,388)** |  | (7,471,285) |
| Net cash (used in)/generated from financing activities | **(5,332,351)** |  | 29,500,418 |
| **NET INCREASE IN CASH & CASH EQUIVALENTS** | **20,444,827** |  | 10,463,492 |
| **CASH & CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD** | **48,180,715** |  | 37,717,223 |
| **CASH & CASH EQUIVALENTS AT END OF FINANCIAL PERIOD\*** | **68,625,542** |  | 48,180,715 |
| \*Cash & cash equivalents at end of the financial period comprise the following: |  |  |  |
|  | **As at** | | |
|  | **31.12. 2009**  **RM** |  | **31.12. 2008**  **RM** |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| Cash & bank balances | **26,249,434** |  | 19,125,639 |
| Fixed and short term deposits with licensed banks | **47,200,618** |  | 39,397,762 |
| Bank overdraft (included within short term borrowing in Note 23) | **(163,074)** |  | (5,674,246) |
|  | **73,286,978** |  | 52,849,155 |
| Less: Deposit pledged | **(4,661,436)** |  | (4,668,440) |
|  | **68,625,542** |  | 48,180,715 |

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**Part A – Explanatory Notes Pursuant to FRS 134**

1. **Basis of Preparation**

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134; Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (BMSB).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

1. **Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

1. **Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 31 December 2008 was not subject to any qualification.

1. **Segmental Information**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **3 months ended 31.12.2009** |  | **12 months ended 31.12.2009** |
| **Segment Revenue** | **RM** |  | **RM** |
| Property development | 9,677,163 |  | 34,889,421 |
| Quarrying and road paving works | 26,303,224 |  | 109,019,131 |
| Construction | 37,689,454 |  | 95,362,111 |
| Operation of golf resort & hotel | 1,247,059 |  | 4,584,464 |
| Trading | 382,682 |  | 2,478,222 |
| Others | 32,996 |  | 270,003 |
|  | 75,332,578 |  | 246,603,352 |
| Eliminations of inter-segment sales | (5,426,119) |  | (32,314,992) |
| **Group revenue** | **69,906,459** |  | **214,288,360** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **3 months ended 31.12.2009** |  | **12 months ended**  **31.12.2009** |
| **Segment Results** | **RM** |  | **RM** |
| Property development | 1,302,823 |  | 4,171,545 |
| Quarrying and road paving works | 2,527,691 |  | 12,177,362 |
| Construction | 5,506,776 |  | 11,541,524 |
| Operation of golf resort & hotel | (352,118) |  | (440,913) |
| Trading | (113,881) |  | (193,885) |
| Others | (51,537) |  | (180,143) |
|  | 8,819,754 |  | 27,075,490 |
| Adjustments | (1,341,652) |  | (1,271,159) |
| Unallocated corporate income | 1,083,116 |  | 1,573,317 |
| **Group profit from operations** | **8,561,218** |  | **27,377,648** |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |

1. **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 financial ended 31 December 2009.

1. **Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter.

1. **Comment About Seasonality or Cyclical Factors**

The Group’s products and services are generally dependent on the Malaysian economy, government policies and weather (on the construction activities)

1. **Dividends Paid**

The were no dividends paid during the quarter.

1. **Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter except for redemption of all outstanding Murabahah Commercial Paper (MCP) totaling RM60 million through a Term Financing-I of RM 60 million from Affin Islamic Bank Berhad.

1. **Changes in Composition of the Group**

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

1. **Property, plant and equipment**

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

1. **Capital Commitments**

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 31 December, 2009 is as follows:

|  |  |  |
| --- | --- | --- |
|  |  | **RM** |
| Approved and contracted for |  | - |
| Approved but not contracted for |  | 8,335,099 |

1. **Changes in Contingent Liabilities**

There were no changes in contingent liabilities since the last annual balance sheet as at 31 December, 2008.

1. **Subsequent Events**

There were no material events subsequent to the end of the current quarter.

1. **Significant Related Party Transactions**

**12 months ended**

**31.12.2009**

**RM**

|  |  |  |
| --- | --- | --- |
| Tributes charges by the holding corporation |  | 249,323 |
| Estate agency fee charges by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn Bhd  Rental of quarry land to ultimate holding corporation  Progress billings charged to related companies,Seri Temin Development Corporation Sdn Bhd  Progress billings charged to holding corporation |  | 165,878  50,000  2,775,369  8,721,893 |
|  |  | 11,962,463 |

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

1. **Review of Performance**

For the full year ended 31 December 2009, the Group’s revenue registered RM214.3 million as compared to RM 263.3 million recorded in the same corresponding period of last year representing a decrease of RM 49.0 million or 18.6%.

Meanwhile, the Group profit before tax of RM20.1 million is slightly higher compared to RM19.6 million posted in the previous corresponding period of 31 December 2008 representing an increase of RM0.5 million or 2.6%.

The favourable result was mainly attributable to better performance in all core activities namely property, quarry and construction.

1. **Material changes in the Quarter Results Compared to the Preceding Quarter**

|  |  |  |
| --- | --- | --- |
|  | **Current Quarter ended**  **31/12/09**  **(RM )** | **Preceding Quarter ended**  **30/09/09**  **(RM)** |
| Revenue | **69,906,459** | **51,784,765** |
| Profit before tax | **6,648,005** | **3,544,909** |

The fourth quarter revenue of RM69.9 million was higher compared to RM51.8 million posted in the preceding quarter ended 30 September 2009, representing a significant increase of 34.9%.

Similarly, the current quarter Group’s profit before tax posted a higher profit of RM6.6 million as compared to RM3.5 million posted in the last preceding quarter ended 30 September 2009 due to better margins from completed construction and housing projects.

**18. Current Year Prospects**

For the financial year 2010, the Group expects to continue to focus on its existing core businesses and complete the on-going projects as scheduled.

Meanwhile, barring unforeseen circumstances, the Group expects the financial results for 2010 to be satisfactory.

**19. Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and shortfall in profit guarantee are not applicable.

1. **Taxation**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **3 months ended**  **31.12.2009** |  | **12 months ended**  **31.12.2009** |
|  | **RM** |  | **RM** |
| Current tax: |  |  |  |
| Malaysian income tax | 2,179,310 |  | 5,861,711 |
|  |  |  |  |
| Under/(over) provision in prior years | 210,505 |  | 210,505 |
| Total income tax expense | 2,389,815 |  | 6,072,216 |
|  |  |  |  |

The effective tax rate for the current quarter and full year ended 31 December, 2009 were 32.8% and 29% respectively. The tax rate was higher than statutory tax rate principally due to losses of certain subsidiaries which cannot be fully set off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purposes.

1. **Purchase and Sale of Quoted Securities**

There were no quoted securities acquired or disposed during the quarter under review.

1. **Status of Corporate Proposal**

There is no pending corporate proposal.

1. **Group borrowings and debt securities**

Total borrowings as at 31 December, 2009 were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Short term**  **RM** |  | **Long term**  **RM** |
|  |  |  |  |  |
| Term loan |  | 22,333,332 |  | 106,666,668 |
| Bank Overdraft |  | 163,074 |  | - |
| Hire Purchase |  | 577,983 |  | 702,198 |
| **TOTAL** |  | **23,074,389** |  | **107,368,866** |

All of the above borrowings are secured and denominated in Ringgit Malaysia.

1. **Off Balance Sheet – Financial Instruments**

During the quarter, the Group did not enter into any contracts involving off balance sheet financial instruments.

1. **Pending Material Litigation**

There was no material litigation, since the last annual balance sheet date of 31 December 2008, except for the announcement that was made on 20 October 2009.

1. **Dividend**

No interim dividend has been declared for the current quarter ended 31 December 2009.

1. **Earnings Per Share**
   1. **Basic earnings per share**

Basic earnings per share for the year is calculated by dividing the net profit for the period of RM14,064,185 and the number of ordinary shares outstanding during the quarter of :

|  |  |  |
| --- | --- | --- |
|  | **3 months ended**  **31.12.2009** | **12 months**  **ended**  **31.12.2009** |
| Net profit for the period (RM) | 4,262,614 | 14,064,185 |
| Weighted average number of ordinary shares in issue | 66,196,256 | 66,196,256 |
| Basic earnings per share (sen) | 6.44 | 21.25 |

1. **Authorization for Issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 21 February 2010.

Prepared by, Concurred by,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NUR MAZUIN BT.MOHD. ISA KHALIL AUNI B. MAMAT**

Approved by,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**DATO’ JAHUBAR SATHIK B. ABDUL RAZAK**