



## **INTERIM FINANCIAL STATEMENTS**

*- For The Quarter and Period of Nine Months  
Ending 30th September 2012*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2012**  
(The figures have not been audited)

	Note	3 months ended 30 September		9 months ended 30 September	
		2012 RM	2011 RM	2012 RM	2011 RM
<b>Continuing Operations</b>					
Revenue	9	85,557,771	70,360,030	234,072,070	142,513,234
Cost of sales		<u>(73,935,135)</u>	<u>(58,000,008)</u>	<u>(195,821,848)</u>	<u>(113,878,915)</u>
<b>Gross profit</b>		11,622,636	12,360,022	38,250,222	28,634,319
Other income	10	1,376,454	1,889,758	4,647,308	5,117,300
Marketing and distribution expenses		(408,941)	(248,336)	(2,498,305)	(924,633)
Administrative expenses		(3,760,557)	(3,542,035)	(11,790,122)	(10,669,387)
Other expenses		<u>(453,786)</u>	<u>(787,675)</u>	<u>(525,476)</u>	<u>(992,700)</u>
<b>Result from operating activities</b>	9	8,375,806	9,671,734	28,083,627	21,164,899
Finance costs	10	<u>(769,494)</u>	<u>(1,416,621)</u>	<u>(2,691,012)</u>	<u>(4,463,718)</u>
<b>Profit before taxation</b>	10	7,606,312	8,255,113	25,392,615	16,701,181
Income tax expense	21	<u>(2,159,261)</u>	<u>(2,415,418)</u>	<u>(6,699,836)</u>	<u>(4,496,954)</u>
<b>Total comprehensive income for the period</b>		<u>5,447,051</u>	<u>5,839,695</u>	<u>18,692,779</u>	<u>12,204,227</u>
Attributable to:					
Owners of the parent		5,452,321	5,842,233	18,702,559	12,205,307
Minority interests		<u>(5,270)</u>	<u>(2,538)</u>	<u>(9,780)</u>	<u>(1,080)</u>
<b>Total comprehensive income attributable to equity holders of the parent</b>		<u>5,447,051</u>	<u>5,839,695</u>	<u>18,692,779</u>	<u>12,204,227</u>
<b>Earnings per share attributable to equity holders of the parent:</b>					
Basic (sen)	26	7.48	8.02	25.67	16.76

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2012  
(The figures have not been audited)**

	Note	30.09.2012 RM	31.12.2011 RM
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	61,773,432	61,865,213
Land held for property development		102,616,495	111,519,232
Investment properties		140,220	142,920
Interest in unincorporated joint venture		373,375	1,034,478
Investment securities		632,116	632,116
Trade receivables		-	6,250,000
Deferred tax assets		114,135	114,135
		<u>165,649,773</u>	<u>181,558,094</u>
<b>Current assets</b>			
Property development costs		34,452,998	16,361,965
Inventories		10,980,859	12,588,502
Trade and other receivables		368,897,342	264,069,718
Tax recoverable		1,349,247	1,397,008
Cash and bank balances		107,752,720	80,945,808
		<u>523,433,166</u>	<u>375,363,001</u>
<b>Total assets</b>		<u>689,082,939</u>	<u>556,921,095</u>
<b>Equity and Liabilities</b>			
<b>Current liabilities</b>			
Loans and borrowings	23	40,752,201	19,407,841
Trade and other payables		133,604,338	141,429,918
Income tax payable		3,005,411	2,302,955
Dividend payable		19,449	17,688
		<u>177,381,399</u>	<u>163,158,402</u>
<b>Non-current liabilities</b>			
Loans and borrowings	23	255,503,174	152,586,579
Deferred tax liabilities		1,926,216	1,687,284
		<u>257,429,390</u>	<u>154,273,863</u>
<b>Total liabilities</b>		<u>434,810,789</u>	<u>317,432,265</u>
<b>Equity attributable to owners of the parent</b>			
Share capital		72,815,856	72,815,856
Other reserves		17,072,415	17,072,415
Retained earnings		156,311,163	141,522,456
		<u>246,199,434</u>	<u>231,410,727</u>
<b>Non-controlling interests</b>		<u>8,072,716</u>	<u>8,078,103</u>
<b>Total equity</b>		<u>254,272,150</u>	<u>239,488,830</u>
<b>Total equity and liabilities</b>		<u>689,082,939</u>	<u>556,921,095</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2012**  
(The figures have not been audited)

	←-----Attributable to owners of the parent-----→						Non- controlling Interests RM	Total equity RM
	←Non-distributable→			Distributable				
	Share capital RM	Share premium RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM			
<b>As at 1 January 2011</b>	72,815,856	17,062,137	10,278	125,754,139	215,642,410	8,082,210	223,724,620	
Dividend paid	-	-	-	(3,822,832)	(3,822,832)	-	(3,822,832)	
Total comprehensive income	-	-	-	12,205,307	12,205,307	(1,080)	12,204,227	
<b>As at 30 September 2011</b>	<u>72,815,856</u>	<u>17,062,137</u>	<u>10,278</u>	<u>134,136,614</u>	<u>224,024,885</u>	<u>8,081,130</u>	<u>232,106,015</u>	
<b>As at 1 January 2012</b>	72,815,856	17,062,137	10,278	141,522,456	231,410,727	8,078,103	239,488,830	
Dividend paid	-	-	-	(3,913,852)	(3,913,852)	-	(3,913,852)	
Total comprehensive income	-	-	-	18,702,559	18,702,559	(5,387)	18,697,172	
<b>As at 30 September 2012</b>	<u>72,815,856</u>	<u>17,062,137</u>	<u>10,278</u>	<u>156,311,163</u>	<u>246,199,434</u>	<u>8,072,716</u>	<u>254,272,150</u>	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2012**  
(The figures have not been audited)

	Cumulative Quarter	
	Current Year Ended 30-Sep-12 RM	Preceding Year Ended 30-Sep-11 RM
<b>Cash flows from operating activities</b>		
Profit before taxation	25,392,615	16,701,181
Adjustment for :		
Non-cash items	3,407,906	3,629,196
Non operating items	2,850,470	(460,974)
Operating profit before working capital changes	<u>31,650,991</u>	<u>19,869,403</u>
Decrease / (increase) in land held for development and property development costs	(19,534,097)	(7,039,331)
Decrease / (increase) in Trade and other receivables	(87,514,172)	(11,444,771)
Decrease / (increase) in inventories	1,616,834	1,301,364
Increase / (decrease) in Trade and other payables	(8,233,368)	(13,730,877)
Cash (used in) / generated from operations	<u>(82,013,812)</u>	<u>(11,044,212)</u>
Interest paid	(2,703,676)	(2,892,300)
Taxes paid	(5,858,755)	(4,574,860)
Net cash generated from / (used in) operating activities	<u>(90,576,243)</u>	<u>(18,511,372)</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,693,982)	(809,275)
Proceeds from disposal of property, plant and equipment	524,852	127,708
Interest received	1,517,001	3,353,480
Dividend received	80,675	-
Net cash generated from / (used in) investing activities	<u>(1,571,454)</u>	<u>2,671,913</u>
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders of the Company	(3,912,091)	(3,822,832)
Drawdown of term loan	131,205,300	37,728,400
Drawdown of revolving credit	20,000,000	-
Repayment of borrowings	(29,205,354)	(29,387,311)
Net changes in finance lease creditors	(229,074)	(468,066)
Withdrawal of pledged deposits	542,380	-
Net cash generated from / (used in) financing activities	<u>118,401,161</u>	<u>4,050,191</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>26,253,464</u>	<u>(11,789,268)</u>
<b>Cash and cash equivalents at beginning of the period</b>	<u>78,165,488</u>	<u>80,891,497</u>
<b>Cash and cash equivalents at end of the period</b>	<u><u>104,418,952</u></u>	<u><u>69,102,229</u></u>
<b>Cash and cash equivalents comprising of the followings:</b>		
Cash and bank balances	26,837,443	24,347,611
Short term deposit with licensed bank	80,915,277	47,620,964
Bank overdraft	(2,179,195)	(132,912)
	<u>105,573,525</u>	<u>71,835,663</u>
Less: Deposits pledged	(1,154,573)	(2,733,434)
	<u><u>104,418,952</u></u>	<u><u>69,102,229</u></u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

## **EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE QUARTER AND YEAR TO DATE ENDED 30<sup>th</sup> SEPTEMBER 2012**

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

#### **1. Basis of Preparation**

The interim financial statements other than for financial instruments have been prepared under the historical cost convention. Financial instruments have been fair valued in accordance with FRS 139 Financial Instruments: Recognition and Measurement.

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 (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. 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 2011.

The financial statements of the Economic Entity have been prepared in accordance with Financial Reporting Standards (FRS), generally accepted accounting principles and the Companies Act, 1965 in Malaysia.

#### **2. Significant Accounting Policies**

##### **a) Financial Reporting Standards (FRS)**

The significant accounting policies adopted for this interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2011 except for the adoption of the relevant new Financial Reporting Standards (FRS), amendments to FRS and IC Interpretations that are effective for annual periods beginning on or after 1 January 2012.

The adoption of the new FRS, amendments to FRS and IC Interpretations does not have any material impact on the financial position and results of the Group.

**b) Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities'). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for another two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014.

The Economic Entity and the Company falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Economic Entity and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group is currently assessing the implications and financial effects of the differences between FRS and accounting standards under MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2014.

### **3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 31 December 2011 was not subject to any qualification.

### **4. 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.

## **5. Changes in Estimates**

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

## **6. Seasonal or Cyclical Factors**

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

## **7. Dividends**

A first and final dividend of 7 sen comprising of 6.5 sen less 25% Malaysian tax per ordinary share and tax exempt dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 December 2011 as approved by the shareholders during last Annual General Meeting was paid on 17 July 2012.

## **8. Debt and Equity Securities**

There were no issuances, cancellations, repurchase, resale and repayments of debt and equity securities in the current quarter.



## 9. Segmental Information

	Property Development RM	Road and quarrying RM	Construction RM	Golf and hotel RM	Trading RM	Adjustment/ Elimination RM	Consolidated RM
<b>9 months ended -30 September 2012</b>							
<b>Revenue</b>							
External sales	62,508,329	49,496,673	109,543,234	3,403,925	-	9,119,909	234,072,070
Inter-segment sales	10,692,528	4,583,370	42,311,535	266,850	-	(57,854,283)	-
<b>Total revenue</b>	<b>73,200,857</b>	<b>54,080,043</b>	<b>151,854,769</b>	<b>3,670,775</b>	<b>-</b>	<b>(48,734,374)</b>	<b>234,072,070</b>
<b>Results</b>							
Segment result	9,952,100	5,738,388	12,937,140	(940,848)	(18,149)	419,539	28,088,170
Unallocated corporate expenses							(4,543)
<b>Profit from operations</b>							<b>28,083,627</b>
<b>3 months ended -30 September 2012</b>							
<b>Revenue</b>							
External sales	18,330,597	18,046,128	48,574,719	1,000,139	-	(393,812)	85,557,771
Inter-segment sales	230,843	1,672,799	22,002,831	88,950	-	(23,995,423)	-
<b>Total revenue</b>	<b>18,561,440</b>	<b>19,718,927</b>	<b>70,577,550</b>	<b>1,089,089</b>	<b>-</b>	<b>(24,389,235)</b>	<b>85,557,771</b>
<b>Results</b>							
Segment result	2,812,762	2,721,815	5,252,349	(509,166)	(9,291)	(2,202,063)	8,066,406
Unallocated corporate expenses							309,400
<b>Profit from operations</b>							<b>8,375,806</b>

## 10. Profit before tax from continuing operations

The following items have been charged / (credited) in arriving at profit before tax from continuing operations:

	3 months ended 30 September		9 months ended 30 September	
	2012 RM	2011 RM	2012 RM	2011 RM
Interest income	(673,953)	(909,458)	(2,054,238)	(2,679,054)
Other income including investment income	(702,501)	(980,300)	(2,593,070)	(2,438,246)
Depreciation and amortization:				
-investment property	900	900	2,700	2,700
-property, plant and equipment	1,154,503	1,238,545	3,369,241	3,620,844
Property, plant and equipment written off	450	2,879	25,462	2,880
Gain on disposal of:				
-property, plant and equipment	(32,832)	(17,509)	(118,130)	(94,994)
(Reversal of) / allowance of impairment:				
-trade receivables	(41,437)	225,707	(151,733)	375,657
Bad debt written off	-	-	40,869	-
Interest expense	769,494	1,416,621	2,691,012	4,463,718

## 11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter including business combination, acquisition or disposal of subsidiary and long-term investment, restructuring and discontinuing operation.

## 12. Property, Plant and Equipment

The Group acquired property, plant and equipment worth RM4,017,998 during the period of nine months under review. The Group did not dispose any major item of property, plant and equipment except one unit of four (4) storey shop office at No.29, Jalan Seksyen 3/8, Taman Kajang Utama, 43000 Kajang, Selangor.

There were no impairment nor reversal of such impairment during the current nine months financial period.

The valuations of property, plant and equipment were brought forward without amendment from the previous audited financial statements.

## 13. Capital Commitments

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 30 September 2012 are as follows:

	<u>RM</u>
Approved and contracted for	5,301,893
Approved but not contracted for	<u>4,213,303</u>

## 14. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last financial year ended 31 December 2011.

## 15. Material Subsequent Events to the Reporting Date

There were no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the interim financial statements under review.

## 16. Significant Related Party Transactions

	<b>9 months ended 30.09.2012 RM</b>
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	<b>181,022</b>
Progress billings charged to ultimate holding corporation	<b>894,700</b>
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	<b>684,991</b>
Rental of quarry land to ultimate holding corporation	<b>50,000</b>
Sales to related party	<b>139,826</b>
Tributes charged by the holding corporation	<b>137,845</b>
	<b><u>2,088,384</u></b>

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

### 17. Performance Review

#### a) Current quarter against the previous year corresponding quarter

For the third quarter ended 30 September 2012, the Group recorded revenue of RM85.5 million. The revenue is higher by RM15.2 million or 21% compared to RM70.4 million achieved in the same corresponding period of last year. The Group profit before tax of RM7.6 million was lower by 7% compared to RM8.2 million posted in the previous year corresponding period.

Performance of the operating business segments for the quarter ended 30 September 2012 as compared to the previous year corresponding quarter are as follows:

#### i) Road and Quarrying Division

This Division contributed RM18.0 million to revenue compared to RM12.4 million previously boosted by progress of jobs in hand and higher demand for quarry products. Contribution to profit also increased to RM2.7 million compared to RM2.3 million in the same corresponding period of last year.

#### ii) Construction Division

The Construction Division provided RM48.6 million to Group revenue compared to RM36.3 million previously. It also contributed higher profits compared to last year reflecting all the projects in hand progressing ahead of schedule.

**a) Current quarter against the previous year corresponding quarter (con't)**

**iii) Property Division**

The Property Division contributed RM18.3 million to revenue and RM2.8 million in profit. The favourable result was mainly due to the higher take up rates of properties launched in Bandar Darulaman, Jitra and Darulaman Utama, Kuala Ketil.

**b) Current financial year to date against the previous year corresponding year to date**

For the current financial year to date, the Group recorded revenue of RM234.1 million compared to RM142.5 million recorded in the same corresponding period of last year representing an increase of 64%. Similarly, the Group profit before tax of RM25.4 million is also significantly higher compared to the RM16.7 million posted in the same corresponding period of last year.

Road and quarry division recorded higher revenue contributed by jobs in hand and sales of quarry products. Contribution to profit for the period however declined slightly.

The construction division was the biggest contributor to revenue and profits through higher progress billings for the KUIN and other ongoing projects.

The property Division successfully promoted new schemes in its existing townships of Bandar Darulaman and Darulaman Utama, Kuala Ketil thus resulting in higher contributions to Group revenue and profit. The response to all new launches has been encouraging.

The Golf Division posted higher losses primarily due to the temporary partial closure of the golf course which is currently undergoing major upgrading and restoration.

The Hotel which derives significant revenues through its food and beverage outlets also recorded losses as it is closely linked to activities in the golf course.

## 18. Variation of Results Against Preceding Quarter

	Current quarter ended 30 September 2012 RM	Preceding quarter ended 30 June 2012 RM
Revenue	<b>85,557,771</b>	75,128,212
Profit Before Taxation	<b>7,606,312</b>	8,487,471

Higher revenue of 14% was mainly due to higher progress billings from construction division and road and quarrying division. The Group profit before tax of RM7.6 million is lower due to an increase in administrative expenses for the quarter.

## 19. Current year prospects

The Group's core businesses are expected to return respectable performance for the current year despite a host of uncertainties surrounding the economy both local and international.

Profit contribution from Road and Quarrying Division is expected to be sustainable since the demand for quarry products has improved beginning in the current quarter. The Construction Division has enough jobs in hand to maintain its contribution to the Group. The Division will concentrate on completing all on-going projects as scheduled. Whereas the Property Division should be able to maintain its contribution given the encouraging response for its product launches. The Division will also focus on clearing stocks in the various scheme launched previously.

The Golf and Hotel Division is expected to register a manageable loss due to the on-going restoration and upgrading of the golf course.

Barring unforeseen circumstances such as sharp increase in oil and commodities prices, a hike in interest rate, further tightening of access to mortgage loans and other adverse economic and political situations, the Group expects the result for the year 2012 to be comparable with the previous year.

## 20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 September 2012.

## 21. Income Tax Expense

	9 months ended 30 September 2012 RM	9 months ended 30 September 2011 RM
Malaysian income tax	<b>6,699,836</b>	<b>4,496,954</b>

The Group's effective tax rate for the current period is expected to be about 26%. The higher rate as compared to statutory rate is due to the non-deductible on certain expenses.

## 22. Status of Corporate Proposals

There was no outstanding corporate proposal during the quarter under review.

## 23. Group borrowings and Debt Securities

Total loans and borrowings as at 30 September 2012 were as follows:

	Short-term RM	Long-term RM
Term loans	18,264,452	255,049,250
Revolving credit	20,000,000	-
Hire purchase	308,554	453,924
Bank overdraft	2,179,195	-
<b>TOTAL</b>	<b><u>40,752,201</u></b>	<b><u>255,503,174</u></b>

## 24. Material Litigation

There were no major changes in pending material litigation, since the last annual balance sheet date of 31<sup>st</sup> December 2011.

## 25. Dividends Payable

No interim dividend has been declared during the current quarter ended 30 September 2012.

## 26. Earnings Per Share

### a. Basic earnings per share

	<b>3 months ended 30.09.2012 RM</b>	<b>9 months ended 30.09.2012 RM</b>
Profit attributable to owners of the Parent	5,452,321	18,702,559
Weighted average number of ordinary shares in issue	72,815,856	72,815,856
Basic earnings per share (sen)	7.48	25.67

### b. Diluted earnings per share

Not applicable.

## 27. Disclosure of Realised and Unrealised Retained Earnings

	<b>As at 30 September 2012 RM'000</b>	<b>As at 31 December 2011 RM'000</b>
Total retained earnings of the Company and subsidiaries: -Realised	155,304	140,314
-Unrealised	1,007	1,208
<b>Total retained earnings</b>	<b>156,311</b>	<b>141,522</b>

## 28. 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 4<sup>th</sup> November 2012.