



INTERIM FINANCIAL STATEMENTS

*- For The Fourth Quarter and Year Ended
31st December 2012*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012**
(The figures have not been audited)

	Note	3 months ended 31 December		12 months ended 31 December	
		2012 RM	2011 RM	2012 RM	2011 RM
Continuing Operations					
Revenue	9	83,716,135	87,212,533	317,788,205	229,725,767
Cost of sales		<u>(73,539,549)</u>	<u>(70,099,297)</u>	<u>(269,361,397)</u>	<u>(183,978,212)</u>
Gross profit		10,176,586	17,113,236	48,426,808	45,747,555
Other income	10	3,448,668	2,426,620	8,095,975	7,543,920
Marketing and distribution expenses		(341,356)	(307,862)	(2,839,661)	(1,232,495)
Administrative expenses		(7,175,075)	(6,465,426)	(18,965,197)	(17,134,813)
Other expenses		<u>(487,124)</u>	<u>(527,906)</u>	<u>(1,012,600)</u>	<u>(1,520,606)</u>
Result from operating activities	9	5,621,699	12,238,662	33,705,325	33,403,561
Finance costs	10	<u>(785,405)</u>	<u>(873,110)</u>	<u>(3,476,417)</u>	<u>(5,336,828)</u>
Profit before taxation	10	4,836,294	11,365,552	30,228,908	28,066,733
Income tax expense	21	<u>(1,627,637)</u>	<u>(4,022,736)</u>	<u>(8,327,473)</u>	<u>(8,519,690)</u>
Total comprehensive income for the period		<u><u>3,208,657</u></u>	<u><u>7,342,816</u></u>	<u><u>21,901,435</u></u>	<u><u>19,547,043</u></u>
Attributable to:					
Owners of the parent		3,209,897	7,346,129	21,912,455	19,551,436
Minority interests		<u>(1,240)</u>	<u>(3,313)</u>	<u>(11,020)</u>	<u>(4,393)</u>
Total comprehensive income attributable to equity holders of the parent		<u><u>3,208,657</u></u>	<u><u>7,342,816</u></u>	<u><u>21,901,435</u></u>	<u><u>19,547,043</u></u>
Earnings per share attributable to equity holders of the parent:					
Basic (sen)	26	4.41	10.08	30.08	26.85

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 31 DECEMBER 2012
(The figures have not been audited)**

	Note	31.12.2012 RM	31.12.2011 RM
Assets			
Non-current assets			
Property, plant and equipment	12	62,602,127	61,865,213
Land held for property development		98,080,503	111,519,232
Investment properties		-	142,920
Interest in unincorporated joint venture		66,807	1,034,478
Investment securities		895,886	632,116
Trade receivables		-	6,250,000
Deferred tax assets		114,135	114,135
		<u>161,759,458</u>	<u>181,558,094</u>
Current assets			
Property development costs		53,611,257	16,361,965
Inventories		9,500,343	12,588,502
Trade and other receivables		398,630,846	264,069,718
Tax recoverable		1,147,348	1,397,008
Cash and bank balances		114,953,140	80,945,808
		<u>577,842,934</u>	<u>375,363,001</u>
Total assets		<u><u>739,602,392</u></u>	<u><u>556,921,095</u></u>
Equity and Liabilities			
Current liabilities			
Loans and borrowings	23	40,275,577	19,407,841
Trade and other payables		142,155,754	141,429,918
Income tax payable		2,033,536	2,302,955
Dividend payable		16,713	17,688
		<u>184,481,580</u>	<u>163,158,402</u>
Non-current liabilities			
Loans and borrowings	23	295,295,590	152,586,579
Deferred tax liabilities		2,344,415	1,687,284
		<u>297,640,005</u>	<u>154,273,863</u>
Total liabilities		<u><u>482,121,585</u></u>	<u><u>317,432,265</u></u>
Equity attributable to owners of the parent			
Share capital		72,815,856	72,815,856
Other reserves		17,072,415	17,072,415
Retained earnings		159,521,060	141,522,456
		<u>249,409,331</u>	<u>231,410,727</u>
Non-controlling interests		<u>8,071,476</u>	<u>8,078,103</u>
Total equity		<u><u>257,480,807</u></u>	<u><u>239,488,830</u></u>
Total equity and liabilities		<u><u>739,602,392</u></u>	<u><u>556,921,095</u></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 YEAR ENDED 31 DECEMBER 2012
(The figures have not been audited)**

	←-----Attributable to owners of the parent-----→				Total RM	Non- controlling interests RM	Total equity RM
	Share capital RM	Share premium RM	Foreign currency translation reserve RM	Retained earnings RM			
As at 1 January 2011	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)
Gain on sales of shares to non-controlling interests	-	-	-	39,714	39,714	286	40,000
Total comprehensive income	-	-	-	19,551,435	19,551,435	(4,393)	19,547,042
As at 31 December 2011	72,815,856	17,062,137	10,278	141,522,456	231,410,727	8,078,103	239,488,830
As at 1 January 2012	72,815,856	17,062,137	10,278	141,522,456	231,410,727	8,078,103	239,488,830
Dividend paid	-	-	-	(3,913,851)	(3,913,851)	-	(3,913,851)
Total comprehensive income	-	-	-	21,912,455	21,912,455	(6,627)	21,905,828
As at 31 December 2012	72,815,856	17,062,137	10,278	159,521,060	249,409,331	8,071,476	257,480,807

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 YEAR ENDED 31 DECEMBER 2012
(The figures have not been audited)**

	Cumulative Quarter	
	Current Year Ended 31-Dec-12 RM	Preceding Year Ended 31-Dec-11 RM
Cash flows from operating activities		
Profit before taxation	30,228,908	28,066,733
Adjustment for :		
Non-cash items	4,315,459	3,860,444
Non operating items	11,826,212	5,440,438
Operating profit before working capital changes	<u>46,370,579</u>	<u>37,367,615</u>
Decrease / (increase) in land held for development and property development costs	(25,399,916)	(10,252,227)
Decrease / (increase) in Trade and other receivables	(130,838,713)	(95,061,515)
Decrease / (increase) in inventories	3,087,865	772,694
Increase / (decrease) in Trade and other payables	<u>5,507,750</u>	<u>49,747,708</u>
Cash generated from / (used in) operations	(101,272,435)	(17,425,725)
Interest paid	(13,495,272)	(7,488,792)
Taxes paid	<u>(7,838,172)</u>	<u>(6,250,011)</u>
Net cash generated from / (used in) operating activities	<u>(122,605,879)</u>	<u>(31,164,528)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,728,172)	(2,208,802)
Proceeds from disposal of property, plant and equipment	1,011,842	805,419
Proceeds from disposal of shares	-	40,000
Interest received	1,977,120	2,039,548
Dividend received	89,273	8,806
Unwinding of discount on non current receivable	-	2,282,534
Net cash generated from / (used in) investing activities	<u>(2,649,937)</u>	<u>2,967,505</u>
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(3,914,827)	(3,826,188)
Drawdown of term loan	180,364,201	68,870,699
Drawdown of revolving credit	19,500,000	-
Repayment of borrowings	(38,025,819)	(38,761,826)
Net changes in finance lease creditors	615,876	(674,790)
Withdrawal of pledged deposits	<u>(707,620)</u>	<u>(136,881)</u>
Net cash generated from / (used in) financing activities	<u>157,831,813</u>	<u>25,471,014</u>
Net increase / (decrease) in cash and cash equivalents	<u>32,575,997</u>	<u>(2,726,009)</u>
Cash and cash equivalents at beginning of the period	<u>78,165,488</u>	<u>80,891,497</u>
Cash and cash equivalents at end of the period	<u><u>110,741,485</u></u>	<u><u>78,165,488</u></u>
Cash and cash equivalents comprise of the followings:		
Cash and bank balances	30,621,669	18,730,327
Short term deposit with licensed bank	84,331,471	62,215,481
Bank overdraft	<u>(1,897,082)</u>	<u>-</u>
	113,056,058	80,945,808
Less: Deposits pledged	<u>(2,314,573)</u>	<u>(2,780,320)</u>
	<u><u>110,741,485</u></u>	<u><u>78,165,488</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 ENDED 31st DECEMBER 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

There was no dividend paid during the quarter under review.

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 Quarry RM	Construction RM	Golf and hotel RM	Trading RM	Adjustment/ Elimination RM	Consolidated RM
12 months ended -31 December 2012							
Revenue							
External sales	81,582,662	79,797,415	151,164,283	5,243,845	-	-	317,788,205
Inter-segment sales	20,173,370	6,411,213	62,623,779	355,800	-	(89,564,162)	-
Total revenue	101,756,032	86,208,628	213,788,062	5,599,645	-	(89,564,162)	317,788,205
Results							
Segment result	9,853,431	8,663,100	16,993,109	(1,027,543)	(23,450)	(735,058)	33,723,589
Unallocated corporate expenses							(18,264)
Profit from operations							33,705,325
3 months ended -31 December 2012							
Revenue							
External sales	19,074,333	30,300,742	41,621,049	1,839,920	-	(9,119,909)	83,716,135
Inter-segment sales	9,480,842	1,827,843	20,312,244	88,950	-	(31,709,879)	-
Total revenue	28,555,175	32,128,585	61,933,293	1,928,870	-	(40,829,788)	83,716,135
Results							
Segment result	(98,669)	2,924,712	4,055,969	(86,695)	(5,301)	(1,154,596)	5,635,420
Unallocated corporate expenses							(13,721)
Profit from operations							5,621,699

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 31 December		12 months ended 31 December	
	2012 RM	2011 RM	2012 RM	2011 RM
Interest income	(1,116,869)	(981,832)	(3,167,230)	(4,324,358)
Other income including investment income	(2,331,799)	(1,444,788)	(4,928,745)	(3,219,562)
Depreciation and amortization:				
-investment property	900	900	3,600	3,600
-property, plant and equipment	1,192,751	1,203,549	4,561,992	4,824,393
Property, plant and equipment written off	-	15,255	25,462	18,135
Gain on disposal of:				
-property, plant and equipment	(408,379)	(62,545)	(526,509)	(157,539)
(Reversal of) / allowance of impairment:				
-trade receivables	328,056	1,567,273	781,391	1,567,273
-other receivables	-	(65,360)	-	(65,360)
Bad debt written off	(40,869)	3,263	-	3,263
Interest expense	785,405	873,110	3,476,417	5,336,828

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 RM6,052,188 during the year 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 and a house at No.66, Lorong KTC 3/11, Taman Kulim Techno-City Fasa 3, Kulim High-Tech Park, 09000 Kulim, Kedah.

There were no impairment nor reversal of such impairment during the current financial year.

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 31 December 2012 are as follows:

	<u>RM</u>
Approved and contracted for	3,855,787
Approved but not contracted for	<u>3,820,193</u>

14. Changes in Contingent Liabilities

	<u>2012 RM</u>	<u>2011 RM</u>
Corporate guarantee issued to financial institutions	<u>430,000,000</u>	<u>400,000,000</u>

Except for the above, 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

	12 months ended 31.12.2012 RM
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	243,686
Progress billings charged to ultimate holding corporation	894,700
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	910,880
Rental of quarry land to ultimate holding corporation	50,000
Sales to related party	60,021
Tributes charged by the holding corporation	208,944
	<u>2,368,231</u>

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 fourth quarter ended 31 December 2012, the Group recorded revenue of RM83.7 million. The revenue is lower by RM3.5 million or 4% compared to RM87.2 million achieved in the same corresponding period of last year. The Group profit before tax of RM4.8 million was lower compared to RM11.3 million posted in the previous year corresponding period due to increase in cost of sales and administrative expenses.

Performance of the operating business segments for the quarter ended 31 December 2012 as compared to the previous year corresponding quarter are as follows:

i) Road and Quarry Division

This Division contributed RM30.3 million to revenue compared to RM24.6 million previously boosted by progress of jobs in hand and higher demand for quarry products. Contribution to profit however declined slightly for the quarter under review mainly due to the impairment loss.

ii) Construction Division

The Construction Division provided RM41.6 million to Group revenue compared to RM47.5 million previously. Contribution to profit also decreased to RM4.0 million compared to RM9.4 million previously where the previous year quarter recorded lower cost of sales.

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

iii) Property Division

The Property Division contributed RM19.1 million to revenue compared to RM18.0 million previously. The Division however recorded loss of RM98,669 in the quarter under review mainly due to the cancellation of sales by purchasers who failed to secure end financing.

iv) Golf and Hotel Division

Increased contribution from recreation activities and lower cost of operation resulted in lower loss.

b) Current financial year against the previous year

For the current financial year, the Group recorded revenue of RM317.8 million compared to RM229.7 million in the previous year representing an increase of 38%. Similarly, the Group profit before tax of RM30.2 million is also higher compared to the RM28.1 million posted last year.

Road and Quarry Division recorded higher revenue contributed by jobs in hand and higher demand for quarry products. Contribution to profit for the year however declined slightly.

The Construction Division remained 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 31 December 2012 RM	Preceding quarter ended 30 September 2012 RM
Revenue	83,716,135	85,557,771
Profit Before Taxation	4,836,294	7,606,312

Variations between quarters are normal given the nature of the Group's business activities which allows recognition of revenue based on costs incurred. Anomalies of quarter to quarter variance is normally straightened over the course of one full financial year.

19. Prospects for the next financial year

The local economy is set to expand by 5.6% in 2013 owing to improving economic sentiment worldwide. Malaysia's growth will be primarily driven by domestic investment and the export market.

Currently the Group has sufficient projects in hand to help maintain the momentum in the short to medium term horizon.

Profit contribution from Road and Quarry Division is expected to be consistently sustainable based on the demand for quarry products and ongoing road projects. The Construction Division is expected to contribute slightly lower revenue and profit until its order book is sufficiently replenished.

The Property Division should be able to maintain its contribution given the encouraging responses for its product launches in Bandar Darulaman, Jitra and Darulaman Utama, Kuala Ketil.

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 to turn in a reasonable performance for the year 2013.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 31 December 2012.

21. Income Tax Expense

	12 months ended 31 December 2012 RM	12 months ended 31 December 2011 RM
Malaysian income tax	8,327,474	8,519,690

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 31 December 2012 were as follows:

	Short-term RM	Long-term RM
Term loans	18,264,452	294,304,318
Revolving credit	19,500,000	-
Hire purchase	614,043	991,272
Bank overdraft	1,897,082	-
TOTAL	40,275,577	295,295,590

24. Material Litigation

a) Galiancon Sdn. Bhd.

On 16 December 2012, the court ruled in favour of our wholly owned subsidiary, Bina & Kuari (K) Sdn. Bhd. (Defendant).

Except for the above, there were no major changes in pending material litigation since the last annual balance sheet date of 31st December 2011.

25. Dividends Payable

No interim dividend has been declared during the current quarter ended 31 December 2012.

26. Earnings Per Share

a. Basic earnings per share

	3 months ended 31.12.2012 RM	12 months ended 31.12.2012 RM
Profit attributable to owners of the Parent	3,209,897	21,912,455
Weighted average number of ordinary shares in issue	72,815,856	72,815,856
Basic earnings per share (sen)	4.41	30.08

b. Diluted earnings per share

Not applicable.

27. Disclosure of Realised and Unrealised Retained Earnings

	As at 31 December 2012 RM'000	As at 31 December 2011 RM'000
Total retained earnings of the Company and subsidiaries:		
-Realised	158,152	140,314
-Unrealised	1,369	1,208
Total retained earnings	159,521	141,522

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 17th February 2013.