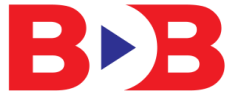


INTERIM FINANCIAL STATEMENTS

*- For The Quarter and Period of Six Months
Ended 30th June 2015 -*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2015**
(The figures have not been audited)

	Note	3 months ended 30 June		6 months ended 30 June	
		2015 RM	2014 RM	2015 RM	2014 RM
Continuing Operations					
Revenue	9	56,879,940	60,025,940	93,615,087	127,637,281
Cost of sales		<u>(43,806,033)</u>	<u>(47,928,809)</u>	<u>(70,656,943)</u>	<u>(105,392,489)</u>
Gross profit	9	13,073,907	12,097,131	22,958,144	22,244,792
Distribution expenses		(2,609,924)	(824,371)	(4,122,462)	(1,123,866)
Administrative expenses		(9,666,709)	(5,226,425)	(15,396,056)	(9,227,184)
Other operating income	10	1,305,117	978,825	2,452,085	2,036,349
Other operating expenses		<u>-</u>	<u>(13,210)</u>	<u>(5,973)</u>	<u>(13,210)</u>
Result from operating activities	9	2,102,391	7,011,950	5,885,738	13,916,881
Unwinding of discount on non-current receivables		5,612,180	6,015,186	11,327,996	12,126,436
Finance costs	10	<u>(4,300,868)</u>	<u>(4,388,853)</u>	<u>(8,696,001)</u>	<u>(10,319,815)</u>
Profit before taxation	10	3,413,703	8,638,283	8,517,733	15,723,502
Tax expense	21	<u>(950,293)</u>	<u>(2,800,601)</u>	<u>(2,384,965)</u>	<u>(4,709,653)</u>
Profit and total comprehensive income for the period		<u><u>2,463,410</u></u>	<u><u>5,837,682</u></u>	<u><u>6,132,768</u></u>	<u><u>11,013,849</u></u>
Profit and total comprehensive income for the period attributable to:					
Owners of the Company		2,467,473	5,839,923	6,135,794	11,016,674
Non-controlling interests		(4,063)	(2,241)	(3,026)	(2,825)
Profit and total comprehensive income for the period		<u><u>2,463,410</u></u>	<u><u>5,837,682</u></u>	<u><u>6,132,768</u></u>	<u><u>11,013,849</u></u>
Basic earnings per ordinary share(sen)	26	0.81	8.02	2.02	15.13

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015
(The figures have not been audited)**

	Note	30.06.2015 RM	31.12.2014 RM
Assets			
Non-current assets			
Property, plant and equipment	12	65,393,137	64,087,340
Land held for property development		285,091,584	277,011,663
Investment securities		15,748,046	2,546,837
Trade and other receivables		277,135,378	286,521,531
Deferred tax assets		304,873	304,870
		<u>643,673,018</u>	<u>630,472,241</u>
Current assets			
Property development costs		31,777,451	40,364,491
Inventories		21,160,307	21,567,249
Trade and other receivables		117,349,712	173,989,403
Tax recoverable		2,609,904	972,289
Cash and bank balances		116,688,868	92,300,297
		<u>289,586,242</u>	<u>329,193,729</u>
Total assets		<u><u>933,259,260</u></u>	<u><u>959,665,970</u></u>
Equity and Liabilities			
Current liabilities			
Income tax payable		842,477	2,180,466
Loans and borrowings	23	32,455,247	41,933,624
Trade and other payables		139,882,695	353,000,864
Dividend payable		-	15,506
		<u>173,180,419</u>	<u>397,130,460</u>
Non-current liabilities			
Deferred tax liabilities		679,008	679,008
Loans and borrowings	23	255,968,359	269,505,909
		<u>256,647,367</u>	<u>270,184,917</u>
Total liabilities		<u><u>429,827,786</u></u>	<u><u>667,315,377</u></u>
Equity attributable to owners of the parent			
Share capital		303,854,977	72,815,856
Other reserves		25,116,323	17,062,137
Retained earnings		166,395,200	194,412,038
		<u>495,366,500</u>	<u>284,290,031</u>
Non-controlling interests		8,064,974	8,060,562
Total equity		<u><u>503,431,474</u></u>	<u><u>292,350,593</u></u>
Total equity and liabilities		<u><u>933,259,260</u></u>	<u><u>959,665,970</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 2014 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2015**
(The figures have not been audited)

	<-----Attributable to owners of the parent----->							
	<----Non-distributable----->			Distributable		Non-controlling interests		
	Share capital RM	Share premium RM	Foreign currency translation reserves RM	Total RM	Retained earnings RM	Total RM	RM	Total equity RM
As at 1 January 2014	72,815,856	17,062,137	10,278	89,888,271	175,341,431	265,229,702	8,068,000	273,297,702
Total comprehensive income	-	-	-	-	11,016,674	11,016,674	(207)	11,016,467
Dividend paid					(5,096,537)	(5,096,537)	-	(5,096,537)
As at 30 June 2014	<u>72,815,856</u>	<u>17,062,137</u>	<u>10,278</u>	<u>17,072,415</u>	<u>181,261,568</u>	<u>271,149,839</u>	<u>8,067,793</u>	<u>279,217,632</u>
As at 1 January 2015	72,815,856	17,062,137	-	17,062,137	194,412,037	284,290,030	8,060,562	292,350,592
Issuance of new ordinary shares	231,039,121	12,547,534		243,586,655	(34,152,631)	209,434,024	-	209,434,024
Share issuance expenses	-	(4,493,348)	-	(4,493,348)	-	(4,493,348)	-	(4,493,348)
Total comprehensive income	-	-	-	-	6,135,794	6,135,794	4,412	6,140,206
Dividend paid	-	-	-	-	-	-	-	-
As at 30 June 2015	<u>303,854,977</u>	<u>25,116,323</u>	<u>-</u>	<u>25,116,323</u>	<u>166,395,200</u>	<u>495,366,500</u>	<u>8,064,974</u>	<u>503,431,474</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 2014 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE SIX-MONTH ENDED 30 JUNE 2015
(The figures have not been audited)**

	Cumulative Quarter	
	Current Year Ended 30-Jun-15 RM	Preceding Year Ended 30-Jun-14 RM
Cash flows from operating activities		
Profit before taxation	8,517,733	15,723,502
Adjustments for:		
Non-cash items	2,271,051	2,300,133
Non operating items	<u>(3,857,538)</u>	<u>(2,977,167)</u>
Operating profit before working capital changes	6,931,246	15,046,468
Decrease / (increase) in land held for development and property development costs	(20,536,967)	36,954,321
Decrease / (increase) in Trade and other receivables	70,454,781	(9,562,194)
Decrease / (increase) in inventories	435,113	(4,922,830)
Increase / (decrease) in Trade and other payables	<u>(54,161,431)</u>	<u>(23,700,451)</u>
Cash generated from / (used in) operations	3,122,742	13,815,314
Interest paid	(8,612,416)	(10,086,845)
Taxes paid	<u>(5,630,410)</u>	<u>(4,539,614)</u>
Net cash generated from / (used in) operating activities	(11,120,084)	(811,145)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,508,697)	(1,395,305)
Proceeds from disposal of property, plant and equipment	164,966	75,000
Purchase of other investment	(13,201,209)	-
Proceeds from disposal of other investment	-	30,671
Profit from Islamic deposits	927,648	729,475
Dividend received	5,932	6,392
Interest received	299,375	201,709
Unwinding of discount on non-current receivables	11,327,996	12,126,436
Net cash generated from / (used in) investing activities	<u>(3,983,989)</u>	<u>11,774,378</u>
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(15,505)	(5,065,049)
Proceeds from issuance of ordinary shares	43,182,461	-
Drawdown of term loan	-	5,855,800
Repayment of borrowings	(18,526,473)	(20,844,953)
Placement/(withdrawal) of pledged deposit	(903,577)	(134,490)
Net changes in finance lease creditors	<u>(557,517)</u>	<u>(343,865)</u>
Net cash generated from / (used in) financing activities	23,179,389	(20,532,557)
Net increase / (decrease) in cash and cash equivalents	8,075,316	(9,569,324)
Cash and cash equivalents at beginning of the period	<u>86,586,325</u>	<u>83,888,333</u>
Cash and cash equivalents at end of the period	<u><u>94,661,641</u></u>	<u><u>74,319,009</u></u>
Cash and cash equivalents comprise of the followings:		
Cash and bank balances	95,177,907	44,204,988
Fixed deposit	21,510,962	48,103,186
Overdraft	-	(154,365)
	<u>116,688,869</u>	<u>92,153,809</u>
Less: Deposits pledged	<u>(22,027,228)</u>	<u>(17,834,800)</u>
	<u><u>94,661,641</u></u>	<u><u>74,319,009</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 2014 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 JUNE 2015

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 2014. 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 2014.

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 2014 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 2015.

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)

The Group and Company fall within the scope of IC Interpretation 15, Agreements for the Construction of Real Estate and MFRS 141, Agriculture. Therefore, the Group and Company is currently exempted from adopting the Malaysian Financial Reporting Standards (“MFRS”) and is referred to as a “Transitioning Entity”.

The Group’s and Company’s financial statements for annual period beginning on 1 January 2017 will be prepared in accordance with the Malaysian Financial Reporting Standards (MFRSs) issued by the MASB and International Financial Reporting Standards (IFRSs).

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 31 December 2014 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 and year to-date.

5. Changes in Estimates

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

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 single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 December 2014 amounting to RM10,634,924 was approved by the shareholders during Annual General Meeting on 9 April 2015 and paid on 20 May 2015.

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	Quarrying and road paving RM	Construction RM	Operation of golf resort and hotel RM	Total reportable segments RM	Other non- reportable segments RM	Elimination RM	Consolidated RM
6 months ended 30 June 2015								
Revenue								
External sales	58,141,683	18,270,746	13,204,637	2,711,924	92,328,990	1,286,097	-	93,615,087
Inter-segment sales	65,685	3,739,734	17,526,204	695,471	22,027,094	17,957,001	(39,984,095)	-
Total revenue	<u>58,207,368</u>	<u>22,010,480</u>	<u>30,730,841</u>	<u>3,407,395</u>	<u>114,356,084</u>	<u>19,243,098</u>	<u>(39,984,095)</u>	<u>93,615,087</u>
Segment profit/(loss)	<u>6,734,831</u>	<u>3,570,349</u>	<u>6,178,459</u>	<u>(417,708)</u>	<u>16,065,931</u>	<u>9,719,175</u>	<u>(17,267,373)</u>	<u>8,517,733</u>
	RM	RM	RM	RM	RM	RM	RM	RM
3 months ended 30 June 2015								
Revenue								
External sales	40,317,535	10,270,562	4,225,718	1,415,050	56,228,865	651,075	-	56,879,940
Inter-segment sales	43,790	2,828,568	8,081,052	432,071	11,385,481	365,000	(11,750,481)	-
Total revenue	<u>40,361,325</u>	<u>13,099,130</u>	<u>12,306,770</u>	<u>1,847,121</u>	<u>67,614,346</u>	<u>1,016,075</u>	<u>(11,750,481)</u>	<u>56,879,940</u>
Segment profit/(loss)	<u>4,108,267</u>	<u>975,328</u>	<u>2,260,350</u>	<u>(63,297)</u>	<u>7,280,648</u>	<u>15,157,069</u>	<u>(19,024,014)</u>	<u>3,413,703</u>



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 June		6 months ended 30 June	
	2015 RM	2014 RM	2015 RM	2014 RM
Interest income	(6,408,433)	(6,482,292)	(12,411,867)	(13,070,693)
Other income including investment income	(508,349)	(511,718)	(1,368,214)	(1,092,091)
Depreciation and amortization:				
-property, plant and equipment	1,253,765	1,155,438	2,573,608	2,290,588
Property, plant and equipment written off	1,537	567	1,540	567
(Gain) / loss on disposal of:				
-property, plant and equipment	(85,801)	2,507	(164,902)	(72,490)
(Reversal of) / allowance of impairment:				
-trade receivables	(80,979)	(64,000)	(225,283)	(122,989)
Interest expense	4,300,868	4,388,853	8,696,001	10,319,815

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 a subsidiary and long term investment, restructuring and discontinued operation.

12. Property, Plant and Equipment

The Group acquired property, plant and equipment worth RM1,869,211 during the quarter under review.

Asset with a carrying amount of RM1,436 were disposed off by the Group during the three months ended 30 June 2015 (31 June 2014 : RM2,510), resulting in a gain on disposal of RM164,902 (30 June 2014 : RM72,490), recognized and included in Other Income in the Statement of Comprehensive Income.



There were no impairment nor reversal of such impairment during the current six 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 June 2015 are as follows:

	RM
Approved and contracted for	2,921,143
Approved but not contracted for	<u>7,011,621</u>

14. Changes in Contingent Liabilities

As at 30 June 2015, the Group does not have any contingent liability.

15. Material Subsequent Events to the Reporting Period

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

16. Significant Related Party Transactions

	6 months ended 30.06.2015 RM
Progress billings charged to the ultimate holding corporation	3,181,959
Rental of quarry land to ultimate holding corporation	50,000
Tributes charged by the ultimate holding corporation	246,169
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	83,596
Revenue from oil palm from related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	1,491,707
Property management paid to a related company, Darulaman Asset Sdn. Bhd	63,142
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	<u>1,199,525</u>
	<u>6,316,098</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 vs previous year corresponding quarter

For the second quarter ended 30 June 2015, the Group recorded revenue of RM56.9 million. The revenue decreased by RM3.1 million or 5% compared to RM60.0 million achieved in the same corresponding period of last year. Similarly, the Group profit before tax of RM3.4 million was lower by 60% compared to the same corresponding period of last year.

Lower revenue and profit for the quarter was mainly due to lower demand for quarry products and lower job in hand for construction projects and higher marketing and administrative expenses.

Performance of the operating business segments for the quarter ended 30 June 2015 as compared to the previous year corresponding quarter are as follows:

i) Road and Quarry Division

This Division contributed RM10.2 million to Group revenue compared to RM 14.9 million previously, a decrease of 31%. Profit contribution has decreased by 74% to RM0.98 million due to lower demand for quarry products.

ii) Construction Division

The Construction Division provided RM4.2 million to Group revenue compared to RM16.8 million previously, a decrease of 75%. Profit contribution however decreased by 14% to RM2.3 million mainly due to previous year's corresponding quarter higher margin from completed projects.

iii) Property Division

The Property Division contributed RM40.3 million compared to RM26.4 million previously, an increase of 53%. Profit contribution decreased by 16% to RM4.1 million due to increase in cost of construction materials and lower margin for on-going residential projects.

iv) Golf and Hotel Division

Golf and Hotel Division recorded lower losses mainly due to higher contribution from golfing and recreational activities.



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

For the current financial year to date, the Group recorded revenue of RM93.6 million compared to RM127.6 million recorded in the same corresponding period of last year representing a decrease of 27%. The Group profit before tax decrease by 46% to RM8.5 million compared to RM15.7 million last year.

Road and Quarry Division recorded lower revenue and lower profit compared to the previous year mainly due to lower contribution from road pavement projects.

The Construction Division contributed lower revenue for the period due to lower progress billings for external projects.

The Property Division was the biggest contributor to Group revenue and profit due to the higher contribution of property projects in Bandar Darulaman, Jitra and Darulaman Utama, Kuala Ketil.

Golf and Hotel Division recorded higher revenue for the period mainly due to higher contribution from golfing activities. The Division however posted higher losses mainly due to higher operational costs.

18. Variation of Results against Preceding Quarter

	Current quarter ended 30 June 2015 RM	Preceding quarter ended 31 March 2015 RM
Revenue	56,879,940	36,735,147
Profit Before Taxation	3,413,703	5,104,030

Variation between quarters are normal given the nature of the Group's business activities which allows recognition of revenue and profit from Property and Construction projects based on cost incurred. Anomalies of quarter to quarter variance is normalised over the year.



19. Current year prospects

The Group's core businesses are expected to record respectable performance for the current financial year since the Group has sufficient land bank and projects in hand to provide sustainable revenue.

Profit contribution from Road and Quarry Division is expected to remain stable based on the demand for quarry products and the progress of on-going road pavement projects. The division had secured State road maintenance contract from State of Kedah for the year 2015 until year 2018 amounting to RM209.9 million. The division has also just secured a financing of RM40.4 million for set up of a new quarry in order to penetrate new market in Southern Kedah and further increase its market share.

The Construction Division will be focusing on completing and delivering all on-going projects within scheduled time, budget and quality. Total remaining order book is at RM983 million shows that prospects for the division remains in good condition.

Our Property Division should be able to maintain its contribution given the encouraging responses for its products launches in Bandar Darulaman, Darulaman Perdana and Darulaman Utama. The Division had secured financing amounting RM280 million for the construction cost and development expenses for the re-development of Bandar Darulaman (known as Bandar Darulaman 2.0) in Jitra. The Division has also commenced planning for new townships on the land bank acquired in the previous year.

The Golf and Hotel Division is expected to register reasonable performance in the current year given the current economic environments which contribute to lower occupancy and higher maintenance costs. The Division is therefore focusing on new tournaments and also recruiting new memberships in the coming quarter via Property Division sales as well as to continue to focus on the promotions for food and beverage outlets, hotel room occupancy and golfing activities.

Barring unforeseen circumstances such as sharp increase in oil and commodities prices, skilled labour shortage, a hike in interest rate, further tightening of access to mortgage loans and other negative economic and political situations, the Group expects to turn in a respectable performance in 2015.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 June 2015.



21. Income Tax Expense

	6 months ended 30 June 2015 RM	6 months ended 30 June 2014 RM
Malaysian income tax	2,384,965	4,709,653

The Group's effective tax rate for the current period is approximately 28%. The higher rate was due to certain expenses not being deductible for tax purposes.

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 June 2015 were as follows:

	Short-term RM	Long-term RM
Term loans	31,922,535	255,764,080
Hire Purchase	532,712	204,279
Bank overdraft	-	-
TOTAL	32,455,247	255,968,359

24. Material Litigation

There is no pending material litigation since the last annual balance sheet date of 31 December 2014.

25. Dividends Payable

A first and final single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 December 2014 amounting to RM10,634,924 was approved by the shareholders during Annual General Meeting on 9 April 2015 and paid on 20 May 2015.



26. Earnings Per Share

a. Basic earnings per share

	6 months ended 30.06.2015 RM	6 months ended 30.06.2015 RM
Profit attributable to owners of the Company	6,135,794	5,839,923
Weighted average number of ordinary shares in issue	303,854,977	72,815,856
Basic earnings per share (sen)	2.02	8.02

b. Diluted earnings per share

Not applicable.

27. Disclosure of Realised and Unrealised Retained Earnings

	As at 30 June 2015 RM'000	As at 31 December 2014 RM'000
Total retained earnings of the Company and subsidiaries:		
-Realised	166,769	194,786
-Unrealised	(374)	(374)
Total retained earnings	166,395	194,412

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 25 August 2015.