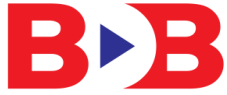


INTERIM FINANCIAL STATEMENTS

*- For the First Quarter Ended
31st March 2016 -*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH ENDED 31 MARCH 2016
(The figures have not been audited)**

	Note	3 months ended 31 March	
		2016 RM	2015 RM
Continuing Operations			
Revenue	9	46,682,675	36,735,147
Cost of sales		(34,056,030)	(26,850,910)
Gross profit		<u>12,626,645</u>	<u>9,884,237</u>
Distribution expenses		(3,528,939)	(1,512,538)
Administrative expenses		(8,703,871)	(5,718,719)
Other operating income	10	661,925	1,146,968
Other operating expenses		(3,718)	(16,601)
Result from operating activities		<u>1,052,042</u>	<u>3,783,347</u>
Unwinding of discount on non-current receivables		5,289,207	5,715,816
Finance cost	10	(3,033,304)	(4,395,133)
Profit before taxation	10	<u>3,307,945</u>	<u>5,104,030</u>
Tax expense	21	(992,383)	(1,434,672)
Profit and total comprehensive income for the period	9	<u><u>2,315,562</u></u>	<u><u>3,669,358</u></u>
Profit and total comprehensive income for the period attributable to :			
Owners of the Company		2,318,893	3,668,321
Non-controlling interests		(3,331)	1,037
Profit and total comprehensive income for the period		<u><u>2,315,562</u></u>	<u><u>3,669,358</u></u>
Basic earnings per ordinary share (sen)	26	0.76	1.38

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016
(The figures have not been audited)**

	Note	31.03.2016 RM	31.12.2015 RM
Assets			
Non-current assets			
Property, plant and equipment	12	68,512,282	68,895,214
Investment property		34,397,933	33,971,865
Other investments		4,423,398	910,924
Land held for property development		298,331,842	292,098,309
Deferred tax assets		1,191,337	1,191,337
Trade and other receivables		255,856,081	267,421,943
		<u>662,712,873</u>	<u>664,489,592</u>
Current assets			
Property development costs		47,051,335	22,260,889
Inventories		29,538,085	34,953,210
Trade and other receivables		136,472,729	157,313,417
Current tax assets		1,765,949	119,467
Deposits with licensed banks		32,951,757	25,862,702
Cash and bank balances		56,738,571	76,352,622
		<u>304,518,426</u>	<u>316,862,307</u>
Total assets		<u>967,231,299</u>	<u>981,351,899</u>
Equity and Liabilities			
Current liabilities			
Trade and other payables		133,349,808	151,522,875
Current tax payable		1,866,898	4,371,542
Loans and borrowings	23	51,796,599	41,051,824
		<u>187,013,305</u>	<u>196,946,241</u>
Non-current liabilities			
Deferred tax liabilities		995,335	995,335
Loans and borrowings	23	263,743,003	270,262,231
		<u>264,738,338</u>	<u>271,257,566</u>
Total liabilities		<u>451,751,643</u>	<u>468,203,807</u>
Equity attributable to owners of the parent			
Share capital		303,854,977	303,854,977
Other reserves		27,164,721	27,164,721
Retained earnings		176,402,727	174,083,834
		<u>507,422,425</u>	<u>505,103,532</u>
Non-controlling interests		8,057,231	8,044,560
Total equity		<u>515,479,656</u>	<u>513,148,092</u>
Total equity and liabilities		<u>967,231,299</u>	<u>981,351,899</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH ENDED 31 MARCH 2016**
(The figures have not been audited)

	-----Attributable to owners of the parent-----						
	<----Non-distributable----->			Distributable			
	Share capital RM	Share premium RM	Total RM	Retained earnings RM	Total RM	Non- controlling interests RM	Total equity RM
As at 1 January 2015	72,815,856	17,062,137	89,877,993	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	-	(4,920,616)	(4,920,616)	-	(4,920,616)	-	(4,920,616)
Total comprehensive income	-	-	-	3,668,321	3,668,321	8,475	3,676,796
As at 31 March 2015	<u>303,854,977</u>	<u>24,689,055</u>	<u>328,544,032</u>	<u>163,927,727</u>	<u>492,471,759</u>	<u>8,069,037</u>	<u>500,540,796</u>
As at 1 January 2016	303,854,977	27,164,721	331,019,698	174,083,834	505,103,532	8,044,560	513,148,092
Total comprehensive income	-	-	-	2,318,893	2,318,893	12,671	2,331,564
As at 31 March 2016	<u>303,854,977</u>	<u>27,164,721</u>	<u>331,019,698</u>	<u>176,402,727</u>	<u>507,422,425</u>	<u>8,057,231</u>	<u>515,479,656</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 2015 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE-MONTH ENDED 31 MARCH 2016**
(The figures have not been audited)

	Cumulative Quarter	
	Current Year Ended 31-Mar-16 RM	Preceding Year Ended 31-Mar-15 RM
Cash flows from operating activities		
Profit before taxation	3,307,945	5,104,030
Adjustments for:		
Non-cash items	1,591,102	1,139,485
Non operating items	<u>(2,499,527)</u>	<u>(1,631,767)</u>
Operating profit before working capital changes	2,399,520	4,611,748
Decrease / (increase) in land held for development and property development costs	(31,493,093)	8,444,053
Decrease / (increase) in Trade and other receivables	10,566,675	56,885,841
Decrease / (increase) in inventories	5,415,124	(256,960)
Increase / (decrease) in Trade and other payables	<u>(10,928,635)</u>	<u>(49,097,168)</u>
Cash generated from / (used in) operations	(24,040,409)	20,587,514
Interest paid	(3,032,965)	(4,303,840)
Taxes paid	<u>(5,406,015)</u>	<u>(2,987,708)</u>
Net cash generated from / (used in) operating activities	(32,479,389)	13,295,966
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,130,602)	(1,839,978)
Proceeds from disposal of property, plant and equipment	-	-
Purchase of other investment	(3,512,474)	(5,041,519)
Interest received	243,730	338,550
Unwinding of discount on non-current receivables	5,289,207	5,715,816
Net cash generated from / (used in) investing activities	<u>889,861</u>	<u>(827,131)</u>
Cash flows from financing activities		
Dividends paid to shareholders of the Company	-	-
Proceeds from issuance of ordinary shares	-	43,182,461
Drawdown of term loan	14,700,000	-
Repayment of borrowings	(10,230,634)	(6,730,634)
Placement/(withdrawal) of pledged deposit	(66,754)	(31,592)
Net changes in finance lease creditors	<u>(1,101,739)</u>	<u>(276,814)</u>
Net cash generated from / (used in) financing activities	3,300,873	36,143,421
Net increase / (decrease) in cash and cash equivalents	(28,288,655)	48,612,256
Cash and cash equivalents at beginning of the period	<u>94,704,582</u>	<u>86,586,325</u>
Cash and cash equivalents at end of the period	<u><u>66,415,927</u></u>	<u><u>135,198,581</u></u>
Cash and cash equivalents comprise of the followings:		
Cash and bank balances	56,738,570	109,026,929
Fixed deposit	32,951,757	47,344,895
Overdraft	-	-
	<u>89,690,327</u>	<u>156,371,824</u>
Less: Deposits pledged	<u>(23,274,400)</u>	<u>(21,173,243)</u>
	<u><u>66,415,927</u></u>	<u><u>135,198,581</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 2015 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 31 MARCH 2016

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 2015. 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 2015.

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 2015 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 2015 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

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	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
3 months ended 31 March 2016								
Revenue								
External sales	34,119,382	8,696,818	2,048,602	1,314,885	46,179,686	502,989	-	46,682,675
Inter-segment sales	32,843	2,527,847	28,211,967	191,567	30,964,224	17,163,601	(48,127,825)	-
Total revenue	<u>34,152,224</u>	<u>11,224,665</u>	<u>30,260,569</u>	<u>1,506,452</u>	<u>77,143,910</u>	<u>17,666,590</u>	<u>(48,127,825)</u>	<u>46,682,675</u>
Segment profit/(loss)	<u>1,379,914</u>	<u>1,680,724</u>	<u>4,071,487</u>	<u>(353,964)</u>	<u>6,778,161</u>	<u>13,014,601</u>	<u>16,484,817</u>	<u>3,307,945</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 31 March	
	2016 RM	2015 RM
Interest income	(5,405,899)	(6,003,434)
Other income including investment income	(545,233)	(859,349)
Depreciation and amortization:		
-property, plant and equipment	1,673,284	1,319,843
(Gain) / loss on disposal of:		
-property, plant and equipment	(900)	(79,101)
(Reversal of) / allowance of impairment:		
-trade receivables	(85,000)	(144,304)
Interest expense	3,033,304	4,395,133

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 RM1,152,684 during the quarter under review.

Asset with a carrying amount of RM2,000 were disposed off by the Group during the three months ended 31 March 2016 (31 March 2015 : RM59), resulting in a gain on disposal of RM900 (31 March 2015 : RM79,101), recognized and included in Other Income in the Statement of Comprehensive Income.

There were no impairment nor reversal of such impairment during the current three 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 31 March 2016 are as follows:

	<u>RM</u>
Approved and contracted for	7,769,236
Approved but not contracted for	<u>12,679,367</u>

14. Changes in Contingent Liabilities

As at 31 March 2016, 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

	3 months ended 31.03.2016 RM
Progress billings charged to the ultimate holding corporation	96,731
Rental of quarry land to the ultimate holding corporation	50,000
Tributes charged by the ultimate holding corporation	164,278
Estate agency fee charged by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	33,464
Revenue from oil palm from a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	619,987
Property management paid to a related company, Darulaman Asset Sdn. Bhd	24,551
Insurance paid to a related company, KSDC Insurance Brokers Sdn. Bhd.	56,403
	<u>1,045,414</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's corresponding quarter

For the first quarter ended 31 March 2016, the Group recorded revenue of RM46.7 million. The revenue has increased by RM10.0 million or 27% compared to RM36.7 million achieved in the same corresponding period of last year. Meanwhile, the Group profit of RM3.3 million was lower by RM1.8 million or 35% compared to the same corresponding period of last year.

The Group recorded higher revenue for the first quarter compared to the same corresponding period of last year due to good performance by the Group's property arm, BDB Land's sales of Taman Tunku Intan Shafinaz (TTIS) and Darulaman Perdana houses.

Whilst Road & Quarry and Construction divisions recorded higher profit for the quarter in comparing to the previous year's corresponding quarter, our Property division recorded lower profit in the same period.

Performance of the operating business segments for the quarter ended 31 March 2016 compared to the previous year's corresponding quarter are as follows:

Road and Quarry Division

This Division contributed RM8.7 million to Group revenue compared to RM8.0 million previously, an increase of RM0.7 million. The increase of revenue was due to the state road maintenance project and also contracts for highway road pavement from Propel.

Similarly, the profit contribution has increased to RM1.7 million from RM1.0 million, mainly due to higher margin for completed projects compared to the same quarter previous year.

Construction Division

The Construction Division provided RM2.0 million to Group revenue compared to RM9.0 million previously, a decrease of 77%. This is mainly due to higher external projects undertaken in quarter under review in 2015, such as Bertam Perdana 2B and Bekalan Air Sik.

However, profit contribution has increased by RM1.8 million to RM4.1 million mainly due to lower finance costs versus the corresponding period last year.



Property Division

The Property Division contributed RM34.1 million to Group revenue compared to RM17.8 million previously, an increase of 92%. This is mainly due to good performance of BDB Land's TTIS sales of residential houses, particularly on Impian and Ilham segments. The contribution also came from sales of Darulaman Perdana residential sales, mainly from Emerald, Jade, and Amber segments.

However, profit contribution has decreased to RM1.4 million from RM4.1 million in previous year's corresponding period due to investments behind advertisement & promotion, in view of the soft property market.

18. Variation of Results against Preceding Quarter

	Current quarter ended 31 March 2016 RM	Preceding quarter ended 31 December 2015 RM
Revenue	46,682,675	105,835,860
Profit Before Taxation	3,307,945	26,934,650

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 normalized over the year.

19. Prospects for the year

The Group's core businesses are expected to record respectable performance for this 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 is currently in the process of acquiring a piece of land in Karangan, Kulim, of which a new premix plant will be built, and grow the Division further beyond current coverage of supplies.

The Construction Division will continue to support the property arms in developing affordable houses during the year. In addition, the Division has also been awarded with 2 key projects, namely PPR houses under KPKT and also water treatment plant for SADA and will be focusing on the completion and delivering these projects within scheduled time, budget and quality.



Our Property Division should be able to maintain its contribution given the encouraging responses for its product launches in Bandar Darulaman, Darulaman Perdana and Darulaman Utama. As an initiative to address customers' needs for 2016, the Division is focusing on developing affordable houses within the established townships.

One of the companies under the Division, Kedah Holdings Sdn Bhd, has acquired a piece of land in Kuala Kangsar, Perak. With the potential development on this land, the project will be the catalyst for the Group in embarking to a new area outside Kedah.

In spite of challenging economic conditions, the Group expects to turn in a respectable performance in 2016.

20. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 31 March 2016.

21. Income Tax Expense

	3 months ended 31 March 2016 RM	3 months ended 31 March 2015 RM
Malaysian income tax	992,383	1,434,672

The Group's effective tax rate for the current period is approximately 30%. 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 31 March 2016 were as follows:

	Short-term RM	Long-term RM
Term loans	50,622,535	261,172,179
Hire Purchase	1,174,064	2,570,824
Bank overdraft	-	-
TOTAL	51,796,599	263,743,003



24. Material Litigation

There is no pending material litigation since the last annual balance sheet date of 31 December 2015.

25. Dividends Payable

A first and final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2015 amounting to RM12,154,199 was approved by the shareholders during Annual General Meeting on 31 March 2016 and payable on 12 May 2016.

26. Earnings Per Share

a. Basic earnings per share

	3 months ended 31.03.2016 RM	3 months ended 31.03.2015 RM
Profit attributable to owners of the Company	2,318,893	3,668,321
Weighted average number of ordinary shares in issue	303,854,977	226,841,937
Basic earnings per share (sen)	0.76	1.38

b. Diluted earnings per share

Not applicable.

27. Disclosure of Realised and Unrealised Retained Earnings

	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Total retained earnings of the Company and subsidiaries:		
-Realised	176,599	174,280
-Unrealised	(196)	(196)
Total retained earnings	176,403	174,084



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 24 April 2016.