

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At Dec 31, 2015 (Unaudited) RM'000	As At Mar 31, 2015 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,289	18,049
Investment properties	13,556	13,630
Prepaid lease payments on leasehold land	1,754	1,788
Land held for property development	33,052	29,215
Goodwill	592	592
Investment in associates	842	738
Total non-current assets	68,085	64,012
Current assets		
Inventories	14,615	21,291
Property development costs	24,758	13,488
Trade and other receivables	14,160	20,303
Current tax assets	2,846	2,048
Other assets	1,027	211
Short-term deposits with licensed banks	1,224	919
Cash and bank balances	3,554	5,399
Total current assets	62,184	63,659
Total assets	130,269	127,671
EQUITY AND LIABILITIES		
Share capital	126,784	126,784
Foreign exchange reserve	4	-
Accumulated losses	(26,756)	(30,665)
Total equity attributable to equity holders of the Company	100,032	96,119
Non-controlling interests	111	130
Total equity	100,143	96,249
Non-current liabilities		
Borrowings	446	446
Deferred tax liabilities	800	800
Total non-current liabilities	1,246	1,246
Current liabilities		
Trade and other payables	11,466	16,428
Borrowings	17,158	13,467
Current tax liabilities	256	281
Total current liabilities	28,880	30,176
Total liabilities	30,126	31,422
Total equity and liabilities	130,269	127,671
Net Assets per Share (RM)	0.79	0.76

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarters	
	3 months ended Dec 31, 2015 (Unaudited) RM'000	3 months ended Dec 31, 2014 (Unaudited) RM'000	9 months ended Dec 31, 2015 (Unaudited) RM'000	9 months ended Dec 31, 2014 (Unaudited) RM'000
Revenue	9,039	12,386	25,322	33,790
Cost of sales	(5,735)	(9,319)	(15,524)	(25,482)
Gross profit	3,304	3,067	9,798	8,308
Investment revenue	24	35	1,750	62
Other income	44	134	238	401
Other gains and losses	736	10	729	457
Distribution costs	(22)	(118)	(48)	(468)
Administrative expenses	(2,747)	(1,395)	(5,879)	(4,083)
Share of profit/(loss) of associates	(4)	4	104	(12)
Finance costs	(92)	(162)	(668)	(473)
Profit before taxation	1,243	1,575	6,024	4,192
Tax expense	(1,532)	(856)	(2,134)	(1,714)
Profit/(Loss) for the Period	(289)	719	3,890	2,478
Other comprehensive income:	-	-	-	-
Total comprehensive income/(loss) for the period	(289)	719	3,890	2,478
Profit/(loss) attributable to:				
Equity holders of the Company	(270)	719	3,909	2,478
Non-controlling interests	(19)	-	(19)	-
	(289)	719	3,890	2,478
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	(270)	719	3,909	2,478
Non-controlling interests	(19)	-	(19)	-
	(289)	719	3,890	2,478
Basic earnings per ordinary share (sen)	(0.21)	0.57	3.08	1.95
Fully diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM'000	<u>Non- Distributable</u> Foreign Exchange Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as of Apr 1, 2014	126,784	-	(27,740)	99,044	136	99,180
Changes in equity interest	-	-	-	-	(6)	(6)
Total comprehensive income for the period	-	-	2,478	2,478	-	2,478
Balance as of Dec 31, 2014	126,784	-	(25,262)	101,522	130	101,652
Balance as of Apr 1, 2015	126,784	-	(30,665)	96,119	130	96,249
Total comprehensive income/(loss) for the period	-	4	3,909	3,913	(19)	3,894
Balance as of Dec 31, 2015	126,784	4	(26,756)	100,032	111	100,143

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended Dec 31, 2015 (Unaudited) RM'000	9 months ended Dec 31, 2014 (Unaudited) RM'000
Cash flows from operating activities		
Profit before tax	6,024	4,192
Adjustments for :		
Non-cash items	331	480
Non-operating items	76	(24)
Operating profit before working capital changes	6,431	4,648
Movements in working capital:		
Net changes in current assets	(2,607)	2,669
Net changes in current liabilities	(1,158)	3,791
Cash generated from operations	2,666	11,108
Tax paid	(3,450)	(2,552)
Tax refunded	493	375
Net cash (used in)/generated from operating activities	(291)	8,931
Cash flows from investing activities		
Other investments	(2,177)	873
Equity investments	1,700	(6)
Net cash (used in)/generated from investing activities	(477)	867
Cash flows from financing activities		
Dividend paid	(3,804)	-
Borrowings	(11,793)	(10,815)
Net cash used in financing activities	(15,597)	(10,815)
Net decrease in cash and cash equivalents	(16,365)	(1,017)
Cash & cash equivalents at beginning of period	5,399	5,157
Cash & cash equivalents at end of period	(10,966)	4,140
Cash & cash equivalents at end of period consist of		
Short-term deposits with licensed banks	297	9
Cash & bank balances	3,554	9,330
Bank overdrafts	(14,817)	(5,199)
	(10,966)	4,140

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134 Interim Financial Reporting and the additional disclosure requirements as in Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa”).

This interim financial report include only condensed consolidated financial statements and should be read in conjunction with the audited financial statements for the year ended March 31, 2015, as this interim report focus on events and transactions that are significant to an understanding of the changes in financial position and performance of the Group that have occurred since that report. The condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Financial Reporting Standards (“FRSs”).

The preparation of an interim financial report in conformity with FRS 134 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The significant accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those of the audited financial statements for the year ended March 31, 2015.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Company:

Description	Effective for annual periods beginning on or after
• FRS 9, Financial Instruments (IFRS 9 issued by IASB in November 2009)	1 January 2015
• FRS 9, Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
• IC Interpretation 21: Levies	1 January 2014
• Amendment to FRSs (continued):	
- FRS 10, Consolidated Financial Statements – Investment Entities	1 January 2014
- FRS 12, Disclosure of Interest in Other Entities – Investment Entities	1 January 2014
- FRS 127, Separate Financial Statements – Investment Entities	1 January 2014
- FRS 132, Offsetting Financial Assets and Financial Liabilities	1 January 2014
- FRS 136, Recoverable Amount Disclosure for Non-Financial Assets	1 January 2014
- FRS 139, Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
• Annual improvements to FRSs 2010 – 2012 cycle	1 July 2014
• Annual improvements to FRSs 2011 – 2013 cycle	1 July 2014

The Directors expect that the adoption of the standards and amendments above will have no material impact on the financial statements in the period of initial application.

FRS 9, Financial Instruments

FRS 9 reflects the first phase of the work on replacement of FRS 139 Financial Instruments: Recognition and Measurement. FRS 9 replaces the multiple classification and measurement of financial assets and financial liabilities in FRS 139, with a single model that has only two classification categories: amortised cost and fair value.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of Preparation (continued)

The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of FRS 9 will have an effect on the classification and measurement of the Group's and the Company's financial assets, but will not have an impact on classification and measurement of the Group's and the Company's financial liabilities.

The Group and the Company will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

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 and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein referred as "Transitioning Entities").

Based on the MASB announcement on 2 September 2014, Transitioning Entities will be allowed to defer the adoption of the new MFRS Framework from the previous adoption date of 1 January 2014 to 1 January 2017. Consequently, the adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its financial statements for the financial year ended 31 March 2018.

The subsequent adoption of the MFRS Framework would result in the Group preparing an opening MFRS statement of financial position as at 1 April 2017, which adjusts for differences between the classification and measurement bases in the existing FRS Framework versus that in the new MFRS Framework. This would also result in a restatement of the annual and quarterly financial performance for the financial year ending 31 March 2017 in accordance with MFRS, which would form the MFRS comparatives for the annual and quarterly financial performance for the financial year ending 31 March 2018 respectively.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A2 Qualification of Financial Statements

The auditors' report on the audited financial statements for the financial year ended March 31, 2015 dated July 3, 2015 was not subject to any qualification.

A3 Seasonal or Cyclical Factors

The principal business of the Group was not significantly affected by any significant seasonal or cyclical factors in the current quarter.

A4 Unusual Items

There were no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A5 Changes in Estimates

There were no major changes in estimates which have a material effect in the current financial period ended December 31, 2015.

A6 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current quarter ended December 31, 2015.

A7 Dividends Paid

There were no dividends paid during the current financial quarter ended December 31, 2015.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A8 Segment Information

	Investment Holdings RM'000	Manufacturing RM'000	Construction RM'000	Property Development RM'000	Total RM'000	Elimination RM'000	Consolidated RM'000
Cumulative Quarters							
9 months ended December 31, 2015							
Revenue							
External sales	269	15,985	298	8,770	25,322	-	25,322
Inter-segment revenue	844	48	11,521	-	12,413	(12,413)	-
Total revenue	1,113	16,033	11,819	8,770	37,735	(12,413)	25,322
Results							
Segment profit/(loss)	(37)	1,846	(475)	2,537	3,871	-	3,871
Investment revenue							1,750
Other gains and losses							967
Finance costs							(668)
Share of profit of associates							104
Profit before tax							6,024
Tax expense							(2,134)
Profit for the period							3,890
Cumulative Quarters							
9 months ended December 31, 2014							
Revenue							
External sales	255	25,551	2,289	5,695	33,790	-	33,790
Inter-segment revenue	1,135	281	11,900	-	13,316	(13,316)	-
Total revenue	1,390	25,832	14,189	5,695	47,106	(13,316)	33,790
Results							
Segment profit/(loss)	(61)	4,100	520	(802)	3,757	-	3,757
Investment revenue							62
Other gains and losses							858
Finance costs							(473)
Share of loss of associates							(12)
Profit before tax							4,192
Tax expense							(1,714)
Profit for the period							2,478

Information on geographical segment is not presented as the Group operates predominantly in Malaysia.

A9 Valuation of Property, Plant & Equipment

The carrying amounts of property, plant and equipment have been brought forward from the previous audited financial statements without amendment.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A10 Material Subsequent Events

There were no material events subsequent to the current financial quarter ended December 31, 2015 up to the date of this announcement.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group in the current financial quarter ended December 31, 2015.

A12 Contingent Liabilities or Contingent Assets

The contingent liabilities of the Company are as follows:

	Dec 31, 2015
	RM'000
Unsecured:	
Corporate guarantees given by the Company to local banks and third parties for credit facilities granted to certain subsidiaries	<u>13,740</u>

There were no contingent assets for the Group as at December 31, 2015.

Save as disclosed above, there were no material contingent liabilities or assets as at February 22, 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

A13 Capital Commitments

There were no capital commitments during the current financial quarter under review.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1 Review of Performance

During the 9 months period ended December 31, 2015, the Group registered revenue of RM25.32 million as compared to the revenue in preceding year corresponding quarter of RM33.79 million. Revenue had decreased by approximately 25.07% due mainly to revenue decreased by manufacturing division of the Group during the period.

Revenue from manufacturing division decreased 37.42% or RM9.56 million to RM15.99 million in the current period as compared to RM25.55 million in the preceding year corresponding period. Hence, the operating profit of the manufacturing division decreased to RM1.85 million in the current period from RM4.10 million in the corresponding period.

The revenue from the construction division decreased to RM0.30 million in the current period from RM2.29 million in the preceding year corresponding period. Hence, the division recorded an operating loss of the RM0.48 million as compared to the operating profit of RM0.52 million in the corresponding period.

Revenue from the property development division increased 53.86% to RM8.77 million in the current period from RM5.70 million in the corresponding period, which mainly contributed by sales progress of existing SA65 project. The division recorded an operating profit of RM2.54 million as compared to the operating loss of RM0.80 million in the corresponding period.

During the same period, the profit before tax of the Group increased by 43.68% to RM6.02 million as compared to RM4.19 million in the preceding year corresponding period. The increase of profit before tax was mainly contributed by the higher revenue from the property development and investment holdings division.

B2 Variation of Results Against Immediate Preceding Quarter

The Group's revenue for the quarter ended December 31, 2015 decreased by 6.61% to RM9.04 million as compared to RM9.68 million in the preceding quarter ended September 30, 2015. The decrease in revenue was mainly due to revenue decreased by the property development division of the Group for the current quarter.

The revenue from manufacturing division increased 12.60% to RM5.45 million in the current quarter as compared to RM4.84 million in the preceding quarter. The division recorded an operating loss of RM0.17 million in the current quarter as compared to the operating profit of RM0.72 million in the preceding quarter which mainly due to provision of doubtful debts.

The revenue from the construction division had maintained at RM0.08 million in the current quarter as compared to RM0.09 million in the preceding quarter. The operating loss for the construction division decreased to RM0.15 million in the current quarter as compared to the operating loss of RM0.20 million in the preceding quarter.

The revenue from the property development division decreased to RM3.42 million in the current quarter as compared to RM4.67 million in the preceding quarter. Hence, the operating profit decreased to RM0.84 million in the current quarter as compared to the operating profit of RM1.65 million in the preceding quarter.

The Group recorded a profit before tax of RM1.24 million in the current quarter as compared to the profit before tax of RM3.68 million in the immediate preceding quarter. It was mainly due to the operating result decreased from the investment income and manufacturing division during the current quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B3 Prospects for the Current Financial Year

The Group targets to launch the Phase 3 development of SA65 with GDV of approximately RM50 million at second half of forthcoming financial year following to the Phase 2 in current financial year. While the new premix plant is being added to operation of Langkawi, the manufacturing division will remain to contribute positively to the Group. The management will continue its effort in improving the efficiency and maintain its competitiveness in the market despite the intense competition within the property industry.

Barring any unforeseen circumstances, the Board of Directors is cautiously optimistic that the Group will remain resilient for the financial year ending March 31, 2016.

B4 Profit Forecast and Profit Guarantee

The Group did not publish any profit forecast or provide any profit guarantee for the financial period ended December 31, 2015.

B5 Taxation

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
-Current	(167)	(618)	(655)	(1,476)
-Prior years	(1,365)	(238)	(1,479)	(238)
Deferred tax expense				
-Current	-	-	-	-
-Prior years	-	-	-	-
	(1,532)	(856)	(2,134)	(1,714)

The effective tax rate was lower than the statutory tax rate principally due to the tax relief of the Company and its subsidiaries which set off against taxable profits made within the Group, and certain income which is not subject to tax.

B6 Status of Corporate Proposal Announced

There were no corporate proposals as at the date of this announcement.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B7 Group Borrowings and Debts Securities

	Dec 31, 2015 RM'000
Current	
Trade bills	666
Bank overdrafts	14,817
Term loan	1,675
	17,158
Non-current	
Term loan	446
	17,604

The above borrowings are denominated in Ringgit Malaysia and represents secured short term borrowings and bank overdrafts.

The borrowings are secured against legal charge/ negative pledge over certain land and buildings of the Group, a lien over the Group's short term deposits and by corporate guarantees from the Company.

B8 Realised and Unrealised Profits/Losses Disclosure

The retained profits or accumulated losses of the Group as at December 31, 2015 and March 31, 2015 are analysed as follows:

	As at Dec 31, 2015 (Unaudited) RM'000	As at Mar 31, 2015 (Audited) RM'000
Total retained profits/accumulated losses of the Company and its subsidiaries:		
- Realised	6,605	4,834
- Unrealised	(800)	(800)
	5,805	4,034
Less: consolidation adjustments	(32,561)	(34,699)
Total accumulated losses as per Consolidated Statement of Financial Position	(26,756)	(30,665)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B9 Profit before taxation

The profit before taxation is stated after charging/ (crediting):

	Individual Quarter 3 months ended		Cumulative Quarters 9 months ended	
	Dec 31, 2015 RM'000	Dec 31, 2014 RM'000	Dec 31, 2015 RM'000	Dec 31, 2014 RM'000
Interest income on:				
Short-term deposits	(24)	(35)	(50)	(62)
Interest expense on:				
Short-term borrowings	92	162	667	473
Depreciation and amortisation	110	163	331	480
Other gains and losses:				
Realised gain on foreign exchange	(722)	-	(722)	-
Unrealised gain on foreign exchange	(10)	-	(10)	-
Reversal of allowance for doubtful debts no longer required	-	(10)	(13)	(20)
Gain on disposal of property, plant and equipment	-	-	-	(431)
Loss on disposal of investment property	-	-	20	-
Property, plant and equipment written off	-	-	1	3
Allowance for doubtful debts	1,040	-	1,040	-
Bad debt written off	215	-	215	-
Other income:				
Rental income	(57)	(133)	(134)	(398)
Service income	(8)	(24)	(56)	(72)

B10 Changes in Material Litigation

The Group was not engaged in any material litigation as at February 22, 2016 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B11 Dividends

The directors do not recommend any dividend for the current financial period ended December 31, 2015.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED DECEMBER 31, 2015**

**PART B: REQUIREMENTS OF PART A OF APPENDIX 9B OF THE MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B12 Earnings per Share

	Individual Quarter		Cumulative Quarters	
	3 months ended Dec 31, 2015	3 months ended Dec 31, 2014	9 months ended Dec 31, 2015	9 months ended Dec 31, 2014
Net profit attributable to shareholders (RM'000)	(270)	719	3,909	2,478
Weighted average number of ordinary shares in issue ('000)	126,784	126,784	126,784	126,784
Basic earnings per ordinary share (sen)	(0.21)	0.57	3.08	1.95

BY ORDER OF THE BOARD

ONG TEIK HOE (MACS 00085)

Secretary

Penang
February 29, 2016