

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At June 30, 2016 (Unaudited) RM'000	As At Mar 31, 2016 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,573	25,394
Investment properties	13,481	13,505
Prepaid lease payments on leasehold land	1,732	1,743
Land held for property development	32,895	32,861
Goodwill	592	592
Investment in associates	873	897
Total non-current assets	75,146	74,992
Current assets		
Inventories	14,030	15,263
Property development costs	25,375	26,275
Trade and other receivables	12,942	10,940
Current tax assets	2,662	2,088
Other assets	796	830
Short-term deposits with licensed banks	1,030	1,030
Cash and bank balances	1,921	3,413
Total current assets	58,756	59,839
Total assets	133,902	134,831
EQUITY AND LIABILITIES		
Share capital	126,784	126,784
Accumulated losses	(25,707)	(25,923)
Total equity attributable to equity holders of the Company	101,077	100,861
Non-controlling interests	197	199
Total equity	101,274	101,060
Non-current liabilities		
Borrowings	1,522	1,522
Deferred tax liabilities	786	786
Total non-current liabilities	2,308	2,308
Current liabilities		
Trade and other payables	10,565	10,520
Borrowings	19,478	20,677
Current tax liabilities	277	266
Total current liabilities	30,320	31,463
Total liabilities	32,628	33,771
Total equity and liabilities	133,902	134,831
Net Assets per Share (RM)	0.80	0.80

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended March 31, 2016 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarters	
	3 months ended June 30, 2016 (Unaudited) RM'000	3 months ended June 30, 2015 (Unaudited) RM'000	3 months ended June 30, 2016 (Unaudited) RM'000	3 months ended June 30, 2015 (Unaudited) RM'000
Revenue	6,914	6,601	6,914	6,601
Cost of sales	(4,991)	(3,801)	(4,991)	(3,801)
Gross profit	1,923	2,800	1,923	2,800
Investment revenue	50	19	50	19
Other income	39	125	39	125
Other gains and losses	-	(7)	-	(7)
Distribution costs	(24)	(11)	(24)	(11)
Administrative expenses	(1,421)	(1,700)	(1,421)	(1,700)
Share of profit/(loss) of associates	(24)	116	(24)	116
Finance costs	(301)	(243)	(301)	(243)
Profit before taxation	242	1,099	242	1,099
Tax expense	(29)	(276)	(29)	(276)
Profit for the Period	213	823	213	823
Other comprehensive income:	-	-	-	-
Total comprehensive income for the period	213	823	213	823
Profit/(loss) attributable to:				
Equity holders of the Company	215	823	215	823
Non-controlling interests	(2)	-	(2)	-
	213	823	213	823
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	215	823	215	823
Non-controlling interests	(2)	-	(2)	-
	213	823	213	823
Basic earnings per ordinary share (sen)	0.17	0.65	0.17	0.65
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, 2016 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

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, 2015	126,784	-	(30,665)	96,119	130	96,249
Total comprehensive income for the period	-	-	823	823	-	823
Balance as of June 30, 2015	126,784	-	(29,842)	96,942	130	97,072
Balance as of Apr 1, 2016	126,784	-	(25,922)	100,862	199	101,061
Total comprehensive income for the period	-	-	215	215	(2)	213
Balance as of June 30, 2016	126,784	-	(25,707)	101,077	197	101,274

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended March 31, 2016 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended June 30, 2016 (Unaudited) RM'000	3 months ended June 30, 2015 (Unaudited) RM'000
Cash flows from operating activities		
Profit before tax	242	1,099
Adjustments for :		
Non-cash items	116	110
Non-operating items	275	135
Operating profit before working capital changes	633	1,344
Movements in working capital:		
Net changes in current assets	165	913
Net changes in current liabilities	45	(1,558)
Cash generated from operations	843	699
Tax paid	(591)	(850)
Tax refunded	-	493
Net cash generated from operating activities	252	342
Cash flows from investing activities		
Acquisition of non-current assets	(244)	(198)
Net cash used in investing activities	(244)	(198)
Cash flows from financing activities		
Dividend paid	-	(3,804)
Borrowings	(704)	(781)
Net cash used in financing activities	(704)	(4,585)
Net decrease in cash and cash equivalents	(696)	(4,441)
Cash & cash equivalents at beginning of period	(16,497)	(5,643)
Cash & cash equivalents at end of period	(17,193)	(10,084)
Cash & cash equivalents at end of period consist of		
Cash & bank balances	1,921	5,979
Bank overdrafts	(19,114)	(16,063)
	(17,193)	(10,084)

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended March 31, 2016 and the accompanying explanatory notes attached to the interim financial statements.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

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 14, Regulatory Deferral Accounts	1 January 2016
• Amendments to FRS 10, Consolidated Financial Statements: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
• Amendments to FRS 10, Consolidated Financial Statements: Investment Entities – Applying the Consolidation Exception	1 January 2016
• Amendments to FRS 11, Joint Arrangements: Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
• Amendments to FRS 12, Disclosure of Interest in Other Entities: Investment Entities: Investment Entities – Applying the Consolidation Exception	1 January 2016
• Amendments to FRS 101, Presentation of Financial Statements: Disclosure Initiative	1 January 2016
• Amendments to FRS 116, Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendments to FRS 128, Investment in Associates: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
• Amendments to FRS 128, Investment in Associates: Investment Entities – Applying the Consolidation Exception	1 January 2016
• Amendments to FRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

PART A: REQUIREMENTS OF FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of Preparation (continued)

Description	Effective for annual periods beginning on or after
<ul style="list-style-type: none">Annual improvements to FRSs 2012 – 2014 cycle, amendments to<ul style="list-style-type: none">- FRS 5, Non-current Assets Held for Sale and Discontinued operations- FRS 7, Financial Instruments : Disclosures- FRS 119, Employee Benefits- FRS 134, Interim Financial ReportingAmendments to FRS 107, Statement of Cash Flows: Disclosure InitiativeAmendments to FRS 112, Deferred Tax: Recovery of Underlying Assets – Recognition of Deferred Tax For Unrealised LossesFRS 9, Financial Instruments	<p>1 January 2016</p> <p>1 January 2016</p> <p>1 January 2016</p> <p>1 January 2016</p> <p>1 January 2017</p> <p>1 January 2017</p> <p>1 January 2018</p>

The initial adoption of the accounting standards, amendments or IC Interpretations above will have no material impacts on the financial statements of the Group and of the Company.

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 FIRST QUARTER ENDED JUNE 30, 2016**

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, 2016 dated July 11, 2016 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 June 30, 2016.

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 June 30, 2016.

A7 Dividends Paid

There were no dividends paid during the current financial quarter ended June 30, 2016.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

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							
3 months ended June 30, 2016							
Revenue							
External sales	90	1,892	148	4,784	6,914	-	6,914
Inter-segment revenue	275	139	928	-	1,342	(1,342)	-
Total revenue	<u>365</u>	<u>2,031</u>	<u>1,076</u>	<u>4,784</u>	<u>8,256</u>	<u>(1,342)</u>	<u>6,914</u>
Results							
Segment profit/(loss)	10	34	(294)	767	517	-	517
Investment revenue							50
Finance costs							(301)
Share of loss of associates							<u>(24)</u>
Profit before tax							242
Tax expense							<u>(29)</u>
Profit for the period							<u><u>213</u></u>
Cumulative Quarters							
3 months ended June 30, 2015							
Revenue							
External sales	82	5,695	138	686	6,601	-	6,601
Inter-segment revenue	111	30	3,068	-	3,209	(3,209)	-
Total revenue	<u>193</u>	<u>5,725</u>	<u>3,206</u>	<u>686</u>	<u>9,810</u>	<u>(3,209)</u>	<u>6,601</u>
Results							
Segment profit/(loss)	(144)	1,303	(119)	49	1,089	-	1,089
Investment revenue							19
Other gains and losses							118
Finance costs							(243)
Share of profit of associates							<u>116</u>
Profit before tax							1,099
Tax expense							<u>(276)</u>
Profit for the period							<u><u>823</u></u>

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 FIRST QUARTER ENDED JUNE 30, 2016**

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 June 30, 2016 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 June 30, 2016.

A12 Contingent Liabilities or Contingent Assets

The contingent liabilities of the Company are as follows:

	June 30, 2016
	RM'000
Unsecured:	
Corporate guarantees given by the Company to local banks and third parties for credit facilities granted to certain subsidiaries	<u>21,465</u>

There were no contingent assets for the Group as at June 30, 2016.

Save as disclosed above, there were no material contingent liabilities or assets as at August 15, 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 FIRST QUARTER ENDED JUNE 30, 2016**

**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 3 months period ended June 30, 2016, the Group registered revenue of RM6.91 million as compared to the revenue in preceding year corresponding quarter of RM6.60 million. Revenue had slightly increased by approximately 4.69% due mainly to revenue increased by property development divisions of the Group during the period.

Revenue from manufacturing division decreased 66.84% or RM3.81 million to RM1.89 million in the current period as compared to RM5.70 million in the preceding year corresponding period. Hence, the operating profit of the manufacturing division decreased to RM0.03 million in the current period from RM1.30 million in the corresponding period.

The revenue from the construction division increased to RM0.15 million in the current period from RM0.14 million in the preceding year corresponding period. However, the division recorded an operating loss of the RM0.29 million as compared to the operating loss of RM0.12 million in the corresponding period.

Revenue from the property development division increased 592.75% to RM4.78 million in the current period from RM0.69 million in the corresponding period, which mainly contributed by sales progress of existing SA65 project. The division recorded an operating profit of RM0.77 million as compared to the operating profit of RM0.05 million in the corresponding period.

During the same period, the profit before tax of the Group decreased by 78.18% to RM0.24 million as compared to RM1.10 million in the preceding year corresponding period. The decrease of profit before tax was mainly contributed by the lower revenue from the manufacturing division.

B2 Variation of Results Against Immediate Preceding Quarter

The Group's revenue for the quarter ended June 30, 2016 decreased by 64.52% to RM6.91 million as compared to RM4.20 million in the preceding quarter ended March 31, 2016. The increase in revenue was mainly due to revenue increased by the property development division of the Group for the current quarter.

The revenue from manufacturing division increased 6.78% to RM1.89 million in the current quarter as compared to RM1.77 million in the preceding quarter. Hence, the operating profit increased to RM0.03 million in the current quarter as compared to the operating loss of RM0.60 million in the preceding quarter.

The revenue from the construction division had increased to RM0.15 million in the current quarter as compared to RM0.02 million in the preceding quarter. However, the operating loss for the construction division increased to RM0.29 million in the current quarter as compared to the operating loss of RM0.24 million in the preceding quarter.

The revenue from the property development division increased to RM4.78 million in the current quarter as compared to RM2.31 million in the preceding quarter. The operating profit decreased to RM0.77 million in the current quarter as compared to the operating profit of RM1.69 million in the preceding quarter where significantly derived from capitalisation of some development costs.

The Group recorded a profit before tax of RM0.24 million in the current quarter as compared to the profit before tax of RM0.73 million in the immediate preceding quarter. It was mainly due to the operating result decreased from the manufacturing division during the current quarter.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

**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

We anticipate the property sales in Malaysia to soften due to challenging economic outlook in year 2016, stringent mortgage approval and cautious sentiment in the property market. The Group will focus and target to launch the Phase 3 development of SA65 with GDV of approximately RM45 million at second half of current financial year. 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, 2017.

B4 Profit Forecast and Profit Guarantee

The Group did not publish any profit forecast or provide any profit guarantee for the financial period ended June 30, 2016.

B5 Taxation

	Individual Quarter 3 months ended		Cumulative Quarters 3 months ended	
	June 30, 2016 RM'000	June 30, 2015 RM'000	June 30, 2016 RM'000	June 30, 2015 RM'000
Income tax expense				
-Current	(29)	(276)	(29)	(276)
-Prior years	-	-	-	-
Deferred tax recognition in profit or loss				
-Current	-	-	-	-
-Prior years	-	-	-	-
	(29)	(276)	(29)	(276)

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 FIRST QUARTER ENDED JUNE 30, 2016**

**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

	June 30, 2016 RM'000
Current	
Trade bills	-
Bank overdrafts	19,114
Term loan	364
	19,478
Non-current	
Term loan	1,522
	21,000

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 June 30, 2016 and March 31, 2016 are analysed as follows:

	As at June 30, 2016 (Unaudited) RM'000	As at Mar 31, 2016 (Audited) RM'000
Total retained profits/accumulated losses of the Company and its subsidiaries:		
- Realised	6,252	5,198
- Unrealised	(786)	(786)
	5,466	4,412
Less: consolidation adjustments	(31,173)	(30,335)
Total accumulated losses as per Consolidated Statement of Financial Position	(25,707)	(25,923)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

**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		Cumulative Quarters	
	3 months ended		3 months ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	RM'000	RM'000	RM'000	RM'000
Interest income on:				
Short-term deposits	(50)	-	(50)	-
Interest expense on:				
Short-term borrowings	301	243	301	243
Depreciation and amortisation	116	110	116	110
Other gains and losses:				
Reversal of allowance for doubtful debts no longer required	-	(13)	-	(13)
Loss on disposal of investment property	-	20	-	20
Property, plant and equipment written off	-	1	-	1
Other income:				
Rental income	(33)	(67)	(33)	(67)
Service income	-	(24)	-	(24)
	<hr/>	<hr/>	<hr/>	<hr/>

B10 Changes in Material Litigation

The Group was not engaged in any material litigation as at August 15, 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 June 30, 2016.

**QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED JUNE 30, 2016**

**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 June 30, 2016	3 months ended June 30, 2015	3 months ended June 30, 2016	3 months ended June 30, 2015
Net profit attributable to shareholders (RM'000)	215	823	215	823
Weighted average number of ordinary shares in issue ('000)	126,784	126,784	126,784	126,784
Basic earnings per ordinary share (sen)	0.17	0.65	0.17	0.65

BY ORDER OF THE BOARD

OOI YOONG YOONG (MAICSA 7020753)

Secretary

Penang
August 22, 2016