

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	3 months ended		Year to date ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
	RM'000	RM'000	RM'000	RM'000
<u>CONTINUING OPERATIONS</u>				
Revenue	60,009	31,694	127,789	75,742
Operating expenses	(52,881)	(26,425)	(105,702)	(65,680)
Other income	3,018	762	3,405	2,624
Share of results of jointly controlled entities and associates	-	-	-	2
Finance costs	(25)	(139)	(75)	(459)
Profit before taxation	10,121	5,892	25,417	12,229
Taxation	(3,559)	(1,262)	(8,803)	(4,099)
Profit after taxation from continuing operation for the period	6,562	4,630	16,614	8,130
<u>DISCONTINUED OPERATIONS</u>				
Profit/(Loss) after taxation from discontinued operation for the period	-	-	2,993	(103)
Profit after taxation	6,562	4,630	19,607	8,027
Other Comprehensive Income :				
Translation of foreign operations	-	-	-	(36)
Total comprehensive Profit for the period	6,562	4,630	19,607	7,991
Profit for the period attributable to:				
Equity holders of the parent	6,562	4,630	19,607	8,069
Non controlling interests	-	-	-	(42)
	6,562	4,630	19,607	8,027
Total comprehensive profit attributable to:				
Equity holders of the parent	6,562	4,630	19,607	8,033
Non controlling interests	-	-	-	(42)
	6,562	4,630	19,607	7,991
Earning per share				
- basic (sen)	5.84	5.04	17.45	8.79

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 30.09.2017 Unaudited RM'000	Group As at 31.12.2016 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	9,848	11,298
Other long term investment	-	50
Goodwill	4,161	4,161
Long Term Receivables	-	-
Deferred tax assets	-	-
Total non current assets	14,009	15,509
Current assets		
Property Development Cost	178,577	36,612
Inventories	549	1,142
Trade and other receivables	89,924	53,205
Tax recoverable	12	305
Fixed deposits with licensed banks	45	14,804
Cash and Bank Balances	13,968	8,316
Total current assets	283,075	114,384
TOTAL ASSETS	297,084	129,893
EQUITY AND LIABILITIES		
Share capital	125,248	45,930
Reserve	-	3,291
Retained profits	58,387	44,957
Total capital and reserves attributable to equity holders of the parent	183,635	94,178
Non-controlling interest	-	-
Total equity	183,635	94,178
Non-current liabilities		
Borrowings	43,694	3,405
Deferred tax liabilities	2,448	2,442
Long Term Payables	-	-
Total non-current liabilities	46,142	5,847
Current liabilities		
Trade and other payables	65,499	26,919
Borrowings	494	1,210
Current tax payable	1,314	1,739
Total current liabilities	67,307	29,868
Total liabilities	113,449	35,715
TOTAL EQUITY AND LIABILITIES	297,084	129,893
Net Assets Per Share (RM)	1.17	1.03

The Condensed Consolidate Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	30.09.2017	30.09.2016
	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Profit / (Loss) before taxation	28,410	12,126
Adjustments for non-cash and non operating items	(2,654)	(133)
Net change in inventories and receivables	(164,637)	7,660
Net change in payables	20,904	(15,060)
Interest paid	(103)	(219)
Taxation paid	(6,927)	(1,820)
Net cash in/(out)flow for operating activities	(125,007)	2,554
CASH FLOWS FOR INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	233	145
Proceed from disposal of an associate		15
Purchase of property, plant and equipment	(2,044)	(1,112)
Acquisition Of Investment Properties / Land for Development	-	(2,030)
Proceed from shares issued	-	-
Net cash inflow/ (outflow) from disposal of subsidiaries	127	967
Acquisition of investment in subsidiary company	75,905	-
(Increase)/Decrease in fixed deposits pledged to bank	3,059	1,879
Interest received	188	444
Net cash outflow for investing activities	77,468	308
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	-
Drawdown of borrowings	42,512	1,477
Repayment of borrowings	(318)	(550)
Net cash in/(out)flow for financing activities	42,194	927
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(5,345)	3,789
Opening cash and cash equivalents	19,319	17,371
Effect of exchange rate changes	-	(36)
Closing cash and cash equivalents	13,974	21,124

The above Condensed Consolidated Cash flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserve / Deficit	Share Option Reserve	Retained profits	Sub-total	Non-controlling interest	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 31.12.2015 / 01.01.2016	45,930	3,318	880	-	28,145	78,273	182	78,455
Profit after taxation for the financial year	-	-	-	-	15,831	15,831	(42)	15,789
Other comprehensive income for the financial year, net of tax:								
- Foreign currency translation	-	-	109	-	-	109	-	109
Total comprehensive income for the financial year	-	-	109	-	15,831	15,940	(42)	15,898
Contribution by and distribution to owners of the Company:								
- Realisation upon disposal of subsidiaries	-	-	(1,016)	-	981	(35)	-	(35)
- Disposal of Subsidiaries	-	-	-	-	-	-	(140)	(140)
Total transactions with owners of the Company	-	-	(1,016)	-	981	(35)	(140)	(175)
Balance as at 31.12.2016	45,930	3,318	(27)	-	44,957	94,178	-	94,178
Profit after taxation for the financial year	-	-	-	-	19,607	19,607	-	19,607
Other comprehensive income for the financial period, net of tax:								
- Foreign currency translation	-	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	19,607	19,607	-	19,607
Contribution by and distribution to owners of the Company:								
- Ordinary shares issued before 31 January 2017	1,875	2,475	-	-	-	4,350	-	4,350
- Ordinary shares issued on and after 31 January 2017	71,650	-	-	-	-	71,650	-	71,650
- Effect of adoption of Companies Act 2016	5,793	(5,793)	-	-	-	-	-	-
- Disposal of Subsidiaries	-	-	27	-	(6,177)	(6,150)	-	(6,150)
Total transactions with owners of the Company	79,318	(3,318)	27	-	(6,177)	69,850	-	69,850
Balance as at 30.09.2017	125,248	-	-	-	58,387	183,635	-	183,635

Note

The new Companies Act 2016 ("the Act") came into effect from 31 January 2017 and abolished the concept of authorised share capital and par value of share capital. Consequently, any amount standing to the credit of a company's share premium and capital redemption reserve accounts shall become part of the company's share capital pursuant to the Act. Under the transitional provision of the Act, a company may within 24 months upon the commencement of the Act, use the amount standing to the credit of its share premium and capital redemption reserve accounts for purposes as set out in that section. During the quarter, the credit standing in the share premium account of RM 5,793,211 has been transferred to the share capital account.

The above Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2017
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation and Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting in Malaysia and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016

- a) The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2016
- b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 16 Leases	1 January 2019
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2: Classification and Measurement of Share based Payment Transactions	1 January 2018
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018*
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
Annual Improvements to MFRSs 2014 – 2016 Cycles:	
- Amendments to MFRS 12: Clarification of the Scope of the Standard	1 January 2017
Annual Improvements to MFRSs 2014 – 2016 Cycles:	1 January 2018
- Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	

- * Entities that meet the specific criteria in MFRS 4.20B may choose to defer the application of MFRS 9 until the earlier of the application of the forthcoming insurance contracts standard or annual periods beginning before 1 January 2021.

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces the existing guidance in MFRS 139 and introduces a revised guidance on the classification and measurement of financial instruments, including a single forward-looking ‘expected loss’ impairment model for calculating impairment on financial assets, and a new approach to hedge accounting. Under this MFRS 9, the classification of financial assets is driven by cash flow characteristics and the business model in which a financial asset is held. The Group is currently assessing the financial impact of adopting MFRS 9.

A2. Auditors’ Report

The auditors’ report of the preceding annual financial statements for the financial year ended 31 December 2016 was not subject to any audit qualification.

A3. Seasonal/Cyclical Factors

The operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. Unusual Items

There were no unusual and extraordinary items for the financial period under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2017
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A5. Changes in Estimates

There were no changes in estimates of amounts reported in the prior financial period which have a material effect in the financial period under review.

A6. Debt or Equity Securities

During the current quarter, the Group has issued 61,767,241 shares to Kim Feng Capital Sdn Bhd in respect of the Second Payment for the acquisition of Cocoa Valley Development Sdn Bhd.

A7. Dividend Paid

There was no dividend paid during the current quarter.

A8. Segmental Reporting

Segmental information for the financial period ended 30 September 2017 :-

	Continuing Operation						RM'000 Discontinued operations	RM'000 Total
	RM'000 Geosynthetic Engineering	RM'000 Construction	RM'000 Development	RM'000 Others	RM'000 Elimination	RM'000 Total		
Sales								
External Sales	7,713	-	120,076	-	-	127,789	964	128,753
Inter-segment Sales	-	57,311	-	-	(57,311)	-	-	-
Total	7,713	57,311	120,076	-	(57,311)	127,789	964	128,753
Results	(687)	(1,050)	28,002	(773)		25,492	3,025	28,517
Finance Cost						(75)	(32)	(107)
Taxation						(8,803)	-	(8,803)
Profit for financial Period						16,614	2,993	19,607

A9. Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward from the preceding annual financial statements less accumulated depreciation and impairment losses.

A10. Material Subsequent Events

There were no material events subsequent to the current quarter ended 30 September 2017 up to date of this announcement which is likely to substantially affect the results of the operations of the Group.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2017
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period ended 30 September 2017.

A12. Contingent Liabilities

The Company has given corporate guarantees amounting to RM92.20 million to licensed banks for banking facilities granted to certain subsidiary companies. As at 30 September 2017, the Company is contingently liable for the amount of banking facilities utilized by these subsidiary companies totalling RM 43.50 million.

A13. Related Party Transaction

The Group's related party transaction in the current quarter and the financial year ended 30 September 2017 are as follows:

	3 months ended	Year to date ended
	30.09.2017	30.09.2017
	RM '000	RM '000
1. Family Members of certain directors :-		
a. Sales of property	-	400
2. Companies of which certain directors or their family members have substantial financial interests		
a. Sales of property	136	2,368
b. Contractor - Building works paid / payable	12,027	50,316
c. Contractor - Built in furniture, loose furniture and electrical supplies	4,170	10,764
d. Contractor - landscape service	55	1,214
e. Security services provider	48	186
f. Rental of office, hostel, car park and utilities charges	61	175
g. Rental of shopping mall's kiosk	15	18
h. Purchase of building materials	12,516	19,280
i. Rental of machineries	2,250	3,506

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B1. Review of Performance (Quarter 3, 2017 vs. Quarter 3, 2016)

The Group recorded revenue of RM 60.01 million for current quarter, an increase of RM 28.32 million over the preceding year's corresponding quarter. The revenue generated from the property development division increased by RM 31.30 million over the preceding year's corresponding quarter which recorded RM 25.40 million. Out of the total revenue of RM 60.01 million, RM 56.70 million were generated by the property development division.

The Group's pre-tax profit for the current quarter reported at RM10.12 million, has increased RM4.23 million as compared to the corresponding quarter of the preceding year mainly contributed by the property development.

B2. Comparison with Preceding Quarter's Results (Quarter 3, 2017 vs. Quarter 2, 2017)

During the current quarter, the Group achieved an operating revenue of RM 60.01 million, an increase of 56.00% over the immediate preceding quarter mainly due to increase in revenue from its Pinnacle Tower and projects at Taman Sri Penawar.

The group's operating pre-tax profit was RM 10.12 million, an increase of RM 1.45 million over the immediate preceding quarter. The increase was mainly due to contribution from the Pinnacle Tower project which is expected to be completed in the next quarter, as well as recognition from increase number of units sold from its projects at Taman Sri Penawar.

B3. Prospects

The Group expects its performance to be driven by contribution of new launches phases at Taman Sri Penawar and also profit recognition from the Pinnacle Tower project which is expected obtain Certificate of Completion and Compliance for the last quarter in this financial year.

The Group is aggressively seeking more opportunities on acquisition of development project and landbank to expand the Group's property development businesses.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year Ended 30.09.2017	Year Ended 30.09.2016
	RM '000	RM '000
Current Year Tax - in Malaysia	8,803	4,099

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B6. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the announcement date.

B7. Borrowings

The Group's borrowings were as follows:

	Year ended 30.9.2017		
	Long term RM '000	Short Term RM '000	Total borrowings RM '000
Secured			
Hire purchase	516	168	684
Term loan	29,255	326	29,580
Bridging loan	13,923	-	13,923
	<u>43,694</u>	<u>494</u>	<u>44,188</u>
	Year ended 30.9.2016		
	Long term RM '000	Short Term RM '000	Total borrowings RM '000
Secured			
Hire purchase	473	134	607
Term loan	2,917	307	3,224
Bridging loan	-	-	-
	<u>3,390</u>	<u>441</u>	<u>3,831</u>

(i) Hire purchase

The increase of the amount of hire purchase as compared to corresponding quarter of preceding year was mainly due to additional finance leases were being entered during the year for financing newly purchased motor vehicles. Interest rates for the hire purchase are between 2.28% to 4.71% per annum.

(ii) Term loan

The significant increase of term loan amounting to RM 26.36 million was related to drawdown by its subsidiary for financing Taman Sri Penawar projects. Interest rate for the term loan is at 6.65% per annum.

(iii) Bridging loan

The drawdown of bridging loan in current was for the financing of Taman Sri Penawar projects by its subsidiary. Interest rate for the bridging loan is at 6.9% per annum.

B8. Material Litigation

There were no material litigation as at 26 November 2017 being a date not later than 7 days prior to the date of this announcement.

B9. Dividend

An interim single-tier dividend of 3.5 sen per share for the financial year ending 31 December 2017 which amounts to RM 5,508,200 was declared on 28 September 2017. This dividend will be paid on 29 November 2017.

B10. Earnings Per Share

Basic earning per share of the Group is calculated by dividing the net profit for the financial period by the weighted average number of shares in issue during the period.

	3 months ended		Year to date ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Profit attributable to equity holders of the parent (RM'000)	6,562	4,630	19,607	8,069
Weighted average number of shares in issue ('000)	112,345	91,860	112,345	91,860
Basic earnings per ordinary share (sen)	5.84	5.04	17.45	8.79

* The Company does not have convertible securities at the end of the reporting periods and therefore, there is no diluted earning per ordinary share in the Company.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B 11. Retained Profit

The breakdown of retained profit of the Group as at reporting date, into realised and unrealised is as follows:

	As at 30.09.2017 RM'000	As at 31.12.2016 RM'000
Total retained profits		
- Realised	63,498	26,428
- Unrealised	-	(1,936)
	<u>63,498</u>	<u>24,492</u>
Less : Consolidation adjustments	<u>(5,111)</u>	<u>20,465</u>
Total retained profits as per consolidated accounts	<u>58,387</u>	<u>44,957</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B 12. Profit for the year

	3 month ended 30.09.2017 RM ' 000	Year to date 30.09.2017 RM ' 000
This is arrived at after (charging)/crediting:		
Interest Income	39	188
Other Income	2,979	3,222
Interest Expenses	25	75
Depreciation and amortisation	(209)	(503)
Impairment losses on receivable	-	(182)
Writeback of allowance for impairment losses on receivables	-	155
Net (provision) /recovery for inventories	-	(559)
Loss on disposal of Property, Plant and Equipment's	-	(17)
Gain on disposal of Investment in Subsidiaries	-	3,122

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B 13. Industry Specific Information

Cocoa Valley Development Sdn Bhd, a wholly-owned subsidiary, is currently having five active projects at Taman Sri Penawar, which contribute total Gross Development Value (GDV) as below:

<u>Projects</u>	<u>GDV (RM'000)</u>	<u>Type of Development</u>	<u>% of Completion up to 30.09.2017</u>
265 units Single Storey Terrace House	87,525	Residential	83%
161 units Double Storey Shop Office	132,595	Commercial	25%
272 units Double Storey Terrace House	165,582	Residential	23%
320 units Single Storey Terrace House	107,088	Residential	4%
256 units Double Storey Terrace House	155,208	Residential	0%