

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017
 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	3 months ended		Year ended	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
<u>CONTINUING OPERATIONS</u>				
Revenue	105,044	46,955	232,833	122,697
Operating expenses	(80,402)	(34,360)	(186,104)	(100,040)
Other income	404	(203)	3,809	2,421
Share of results of jointly controlled entities and associates	-	(2)	-	-
Finance costs	(32)	(163)	(107)	(622)
Profit before taxation	25,014	12,227	50,431	24,456
Taxation	(7,889)	(4,465)	(16,692)	(8,564)
Profit after taxation from continuing operation for the period	17,125	7,762	33,739	15,892
<u>DISCONTINUED OPERATIONS</u>				
Loss after taxation from discontinued operation for the period	(6,150)	-	(3,157)	(103)
Profit after taxation	10,975	7,762	30,582	15,789
Other comprehensive income :				
Translation of foreign operations	-	145	-	109
Reclassified to profit or loss on disposal of a subsidiary	27	-	27	-
	27	145	27	109
Total comprehensive income for the year	11,002	7,907	30,609	15,898
Profit for the year attributable to:				
Equity holders of the parent	10,975	7,762	30,582	15,831
Non-controlling interests	-	-	-	(42)
	10,975	7,762	30,582	15,789
Total comprehensive profit attributable to:				
Equity holders of the parent	11,002	7,907	30,609	15,940
Non-controlling interests	-	-	-	(42)
	11,002	7,907	30,609	15,898
Earning per share				
Basic (sen):				
- Continuing operations	15.24	8.45	30.03	17.30
- Discontinued operations	(5.47)	-	(2.81)	(0.07)

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 YEAR ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at 31.12.2017 Unaudited RM'000	Group As at 31.12.2016 Audited RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	10,610	11,298
Land held for development	8,147	-
Property development cost	161,696	-
Other long term investment	-	50
Goodwill	4,161	4,161
Deferred tax assets	2,230	-
Total non current assets	186,844	15,509
Current assets		
Property development cost	126,937	36,612
Inventories	2,215	1,142
Trade and other receivables	108,169	53,205
Tax recoverable	13	305
Fixed deposits with licensed banks	45	14,804
Cash and bank balances	42,613	8,316
Total current assets	279,992	114,384
TOTAL ASSETS	466,836	129,893
EQUITY AND LIABILITIES		
Share capital	125,248	45,930
Reserve	-	3,291
Retained profits	70,031	44,957
Total capital and reserves attributable to equity holders of the parent	195,279	94,178
Non-controlling interest	-	-
Total equity	195,279	94,178
Non-current liabilities		
Borrowings	20,454	3,405
Deferred tax liabilities	309	2,442
Total non-current liabilities	20,763	5,847
Current liabilities		
Trade and other payables	225,969	26,919
Borrowings	16,956	1,210
Current tax payable	7,869	1,739
Total current liabilities	250,794	29,868
Total liabilities	271,557	35,715
TOTAL EQUITY AND LIABILITIES	466,836	129,893
Net Assets Per Share (RM)	1.24	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 YEAR ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Year Ended 31.12.2017 RM'000	Group Year Ended 31.12.2016 RM'000
CASH FLOWS (FOR)/ FROM OPERATING ACTIVITIES		
Profit before taxation		
- Continuing operations	50,431	24,456
- Discontinued operations	(3,157)	(103)
	<u>47,274</u>	<u>24,353</u>
Adjustments for non-cash and non-operating items	4,252	946
Net change in land held for future development	(8,147)	-
Net change in property development cost	(247,896)	15,329
Net change in inventories and receivables	(41,579)	(8,822)
Net change in payables	180,660	(22,652)
Interest paid	(135)	(280)
Taxation paid	(12,315)	(5,820)
Net cash (outflow)/inflow for operating activities	<u>(77,886)</u>	<u>3,054</u>
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Proceed from disposal of property, plant and equipment	361	97
Proceed from disposal of an associate	-	15
Purchase of property, plant and equipment	(2,729)	(3,249)
Net cash (outflow)/inflow from disposal of subsidiary	(2,540)	967
Net cash inflow from acquisition of subsidiaries	75,160	-
Decrease/(increase) in fixed deposits pledged to bank	3,059	(307)
Interest received	241	565
Net cash inflow/(outflow) for investing activities	<u>73,552</u>	<u>(1,912)</u>
CASH FLOWS FOR FINANCING ACTIVITIES		
Drawdown of borrowings	62,869	832
Repayment of borrowings	(29,728)	(226)
Dividend paid	(5,508)	-
Net cash inflow for financing activities	<u>27,633</u>	<u>606</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>23,299</u>	<u>1,748</u>
Opening cash and cash equivalents	19,319	17,371
Effect of exchange rate changes	-	200
Closing cash and cash equivalents	<u>42,618</u>	<u>19,319</u>

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

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Share Premium	Other Reserve / Deficit	Retained profits	Sub-total	Non-controlling interest	Total
	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 / 01.01.2017	45,930	3,318	(27)	44,957	94,178	-	94,178
Profit after taxation for the financial year	-	-	-	30,582	30,582	-	30,582
Other comprehensive income for the financial year, net of tax:							
- Reclassified to profit or loss on a disposal of subsidiary	-	-	27	-	27	-	27
Total comprehensive income for the financial year	-	-	27	30,582	30,609	-	30,609
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)	-	-	-	-	-
- Distributed dividend	-	-	-	(5,508)	(5,508)	-	(5,508)
Total transactions with owners of the Company	79,318	(3,318)	-	(5,508)	70,492	-	70,492
Balance as at 31.12.2017	125,248	-	-	70,031	195,279	-	195,279

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. 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 31 DECEMBER 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.

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
MFRS 17 : Insurance Contracts	1 January 2021
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
IC Interpretation 23: Uncertainty over income tax treatments	1 January 2019
Amendments to MFRS 4: Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts	1 January 2018
Amendments to MFRS 9: Prepayment Features with Negative Compensation	1 January 2019
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
Amendments to MFRS 128: Long-term Interests In Associates and Joint Ventures	1 January 2019
Amendments to MFRS 140: Transfers of Investment Property	1 January 2018
Annual Improvements to MFRS Standards 2014 – 2016 Cycles:	1 January 2018
-Amendments to MFRS 1: Deletion of Short-term Exemptions for First-time Adopters	
-Amendments to MFRS 128: Measuring an Associate or Joint Venture at Fair Value	
Annual Improvements to MFRS Standards 2015 – 2017 Cycles	1 January 2019

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 31 DECEMBER 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

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for current quarter.

A7. Dividend Paid

An interim single-tier dividend of 3.5 sen per share for the financial year ended 31 December 2017 which amounting to RM 5,508,200 was paid on 29 November 2017.

A8. Segmental Reporting

Segmental information for the financial year ended 31 December 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	11,821	-	220,903	109	-	232,833	1,505	234,338
Inter-segment Sales	-	96,410	-	-	(96,410)	-	-	-
Total	11,821	96,410	220,903	109	(96,410)	232,833	1,505	234,338
Results								
Finance Cost	(2,142)	(1,445)	55,208	(1,083)	-	50,538	(3,101)	47,437
Taxation						(107)	(56)	(163)
Profit for financial year						(16,692)	-	(16,692)
						33,739	(3,157)	30,582

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

The following are events subsequent to the current quarter ended 31 December 2017 up to date to this announcement which is likely to substantially affect the results of the operations of the Group.

Disposal of Properties

Noblecorp Sdn Bhd, a wholly-owned subsidiary of the Company has entered into a Sales and Purchase Agreement on 15 February 2018 to dispose two units of retail office located at Kota Kinabalu, for a total consideration of RM 3,537,600.

Development Right Agreement

On 1 January 2018, the Company announced that Danga Palms Sdn Bhd ("DPSB"), a wholly-owned subsidiary of the Company has entered into a Development Right Agreement ("DRA") with PIJ Property Development Sdn Bhd on 31 December 2017. Pursuant to the DRA, DPSB agrees and undertakes to develop and complete an integrated development project known as "Proposed Integrated Waterfront Development" which located at Teluk Jawa, Johor Bahru with an estimated gross development value ("GDV") of RM 1.46 billion.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017
EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT

A11. Changes in Composition of the Group

During the current quarter, the Company has acquired the entire equity interest of Danga Palms Sdn Bhd, and it became a wholly-owned subsidiary of the Company.

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. Consequently, the Company is contingently liable for the amount of banking facilities utilized by these subsidiary companies totalling RM 36.33 million as at 31 December 2017.

A13. Related Party Transaction

The Group's related party transaction in the current quarter and the financial year ended 31 December 2017 are as follows:

	3 months ended	Year to date ended
	31.12.2017	31.12.2017
	RM '000	RM '000
1. Family Members of certain directors :-		
a. Sales of property	651	1,224
2. Companies of which certain directors or their family members have substantial financial interests		
a. Sales of property	4,241	6,436
b. Contractor - Building works paid / payable	5,386	43,702
c. Contractor - Built in furniture, loose furniture and electrical supplies	1,509	12,273
d. Contractor - landscape service	385	933
e. Security services provider	93	279
f. Rental of office, hostel, car park and utilities charges	58	233
g. Rental of shopping mall's kiosk	-	15
h. Purchase of building materials	17,912	37,192
i. Rental of machineries	3,048	6,554

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B1. Review of Performance (Quarter 4, 2017 vs. Quarter 4, 2016)

The Group recorded revenue of RM 105.04 million for current quarter, an increase of RM 58.09 million as compared the preceding year's corresponding quarter. The increment of revenue mainly generated from the property development division.

The Group's pre-tax profit for the current quarter reported at RM25.01 million, has increased RM12.79 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 4, 2017 vs. Quarter 3, 2017)

During the current quarter, the Group achieved an operating revenue of RM 105.04 million, an increase of 75.00% over the immediate preceding quarter mainly due to increase in revenue from Pinnacle Tower and projects in Taman Sri Penawar.

The Group's operating pre-tax profit was RM 25.01 million, an increase of RM 14.89 million over the immediate preceding quarter was mainly due to contribution from Pinnacle Tower which was completed in November 2017, as well as more units sold from the Taman Sri Penawar's projects.

B3. Prospects

The Group expects its performance for the coming financial year to be satisfactory, that driven by contributions from the launch of new phases of its ongoing development at Taman Sri Penawar.

B4. Profit Forecast

Not applicable for the Group.

B5. Taxation

	Year Ended 31.12.2017 RM '000	Year Ended 31.12.2016 RM '000
Current Year Tax - in Malaysia	16,692	8,564

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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 31.12.2017		
	Long term RM '000	Short Term RM '000	Total borrowings RM '000
Secured			
Hire purchase	910	175	1,085
Term loan	19,544	5,765	25,309
Bridging loan	-	11,016	11,016
	<u>20,454</u>	<u>16,956</u>	<u>37,410</u>
	Year ended 31.12.2016		
	Long term RM '000	Short Term RM '000	Total borrowings RM '000
Secured			
Hire purchase	349	205	554
Term loan	3,056	302	3,358
Bank overdraft	-	703	703
	<u>3,405</u>	<u>1,210</u>	<u>4,615</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 5.63% per annum.

(ii) Term loan

The significant increase of term loan amounting to RM 21.25 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 6.90% per annum.

(iv) Bank overdraft

The bank overdraft amount has been repaid during the year by its subsidiary. Furthermore, this company which having the bank overdraft facility was disposed during the year as well.

B8. Material Litigation

There were no material litigation as at 16 February 2018 being a date not later than 7 days prior to the date of this announcement.

B9. Dividend

The Board does not recommend any dividend for the financial quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017
ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S
LISTING REQUIREMENTS

B10. Earnings Per Share

Basic earnings 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.

	<u>3 months ended</u>		<u>Year ended</u>	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Continued operations				
Profit attributable to equity holders of the parent (RM'000)	17,125	7,762	33,739	15,892
Weighted average number of shares in issue ('000)	112,345	91,860	112,345	91,860
Basic earnings per ordinary share (sen)	15.24	8.45	30.03	17.30
Discontinued operations				
Profit attributable to equity holders of the parent (RM'000)	(6,150)	-	(3,157)	(61)
Weighted average number of shares in issue ('000)	112,345	91,860	112,345	91,860
Basic earnings per ordinary share (sen)	(5.47)	-	(2.81)	(0.07)

* 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.

B 11. Profit for the year

	<u>3 month ended</u>	<u>Year to date</u>
	31.12.2017 RM ' 000	31.12.2017 RM ' 000
This is arrived at after (charging)/crediting:		
Interest Income	53	241
Other Income	351	3,574
Interest Expenses	32	107
Depreciation and amortisation	(262)	(765)
Impairment losses on receivable	(286)	(467)
Writeback of allowance for impairment losses on receivables	-	155
Net (provision) /recovery for inventories	(29)	(588)
Loss on disposal of property, plant and equipment's	-	(17)
Loss on disposal of Investment in subsidiaries	-	(2,519)
Foreign exchange loss	(128)	(128)

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

B 12. 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 31.12.2017</u>
265 units Single Storey Terrace House	87,525	Residential	98%
161 units Double Storey Shop Office	132,595	Commercial	50%
272 units Double Storey Terrace House	172,517	Residential	49%
320 units Single Storey Terrace House	107,069	Residential	26%
256 units Double Storey Terrace House	168,347	Residential	8%