

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

PART A1 : QUARTERLY REPORT

Quarterly report on consolidated results for the financial period ended 30 June 2012

The figures have not been audited

I(A) CONDENSED CONSOLIDATED INCOME STATEMENT

	NOTE	Current Quarter Ended 30.06.12 RM'000	Comparative Quarter Ended 30.06.11 RM'000	6 Months Cumulative To 30.06.12 RM'000	6 Months Cumulative To 30.06.11 RM'000
Revenue		1,638	6,915	2,275	7,947
Operating expenses		(2,830)	(6,645)	(4,061)	(7,864)
Other operating income		29	52	70	75
(Loss)/profit from operations		(1,163)	322	(1,716)	158
Finance cost		(48)	(143)	(96)	(243)
(Loss)/profit before taxation		(1,211)	179	(1,812)	(85)
Taxation	B6	(165)	(179)	(355)	(337)
Loss for the period		(1,376)	-	(2,167)	(422)
Attributable to :					
Owners of the parent		(1,137)	(186)	(1,878)	(587)
Non-controlling interests		(239)	186	(289)	165
		(1,376)	-	(2,167)	(422)
Loss per share attributable to owners of the parent :-					
(i) Basic (sen)	B11	(1.25)	(0.20)	(2.06)	(0.64)
(ii) Diluted (sen)		(1.25)	(0.20)	(2.06)	(0.64)

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

PART A1 : QUARTERLY REPORT

Quarterly report on consolidated results for the financial period ended 30 June 2012

The figures have not been audited

I(B) CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter Ended 30.06.12 RM'000	Comparative Quarter Ended 30.06.11 RM'000	6 Months Cumulative To 30.06.12 RM'000	6 Months Cumulative To 30.06.11 RM'000
Loss for the period	(1,376)	-	(2,167)	(422)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(1,376)</u>	<u>-</u>	<u>(2,167)</u>	<u>(422)</u>
Attributable to :				
Owners of the parent	(1,137)	(186)	(1,878)	(587)
Non-controlling interests	<u>(239)</u>	<u>186</u>	<u>(289)</u>	<u>165</u>
	<u>(1,376)</u>	<u>-</u>	<u>(2,167)</u>	<u>(422)</u>

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

PART A1 : QUARTERLY REPORT

II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited)	
		As At	As At
		30.06.2012	31.12.2011
	NOTE	RM '000	RM '000
Assets			
<i>Non-Current Assets</i>			
Property, plant and equipment	A9	511	524
Investment properties		20,605	20,800
Inventories		71,521	71,624
Goodwill		1,891	1,891
		<u>94,528</u>	<u>94,839</u>
<i>Current Assets</i>			
Inventories		110,537	98,914
Trade and other receivables		4,608	5,760
Other current assets		48	24
Tax recoverable		152	147
Deposits, cash and bank balances		4,082	5,607
		<u>119,427</u>	<u>110,452</u>
Total Assets		<u>213,955</u>	<u>205,291</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

PART A1 : QUARTERLY REPORT

II CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited)	
		As At	As At
		30.06.2012	31.12.2011
	NOTE	RM '000	RM '000
Equity and Liabilities			
<i>Equity Attributable to Owners of the Parent</i>			
Share capital		9,132	9,132
Share premium		16,179	16,179
Capital reserves		77,429	77,429
Retained earnings		7,866	9,744
		<u>110,606</u>	<u>112,484</u>
Non-controlling interests		5,485	5,774
Total Equity		<u>116,091</u>	<u>118,258</u>
<i>Non - Current Liabilities</i>			
Deferred taxation		7,258	7,303
Bank borrowings	B8	25,777	21,991
		<u>33,035</u>	<u>29,294</u>
<i>Current Liabilities</i>			
Bank borrowings	B8	9,680	12,411
Trade and other payables		41,163	37,390
Other current liabilities		13,881	7,821
Tax payable		105	117
		<u>64,829</u>	<u>57,739</u>
Total Liabilities		97,864	87,033
Total Equity and Liabilities		<u>213,955</u>	<u>205,291</u>
Net Assets per share attributable to owners of the parent (RM)		1.21	1.23

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

PART A1 : QUARTERLY REPORT

IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<----- Attributable to Owners of the Parent ----->

	Share Capital	Share Premium	Capital Reserves	Retained Earnings	Subtotal	Non-controlling Interests	Total Equity
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance at 1 January 2012	9,132	16,179	77,429	9,744	112,484	5,774	118,258
Total comprehensive loss for the period	-	-	-	(1,878)	(1,878)	(289)	(2,167)
Balance at 30 June 2012	9,132	16,179	77,429	7,866	110,606	5,485	116,091
Balance at 1 January 2011	9,132	16,179	77,429	9,318	112,058	6,408	118,466
Total comprehensive income/(loss) for the period	-	-	-	(587)	(587)	165	(422)
Balance at 30 June 2011	9,132	16,179	77,429	8,731	111,471	6,573	118,044

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MULPHA LAND BERHAD
(Incorporated in Malaysia - 182350-H)

PART A1 : QUARTERLY REPORT

III CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months Ended 30.06.2012 RM '000	6 Months Ended 30.06.2011 RM '000
Loss before tax	(1,812)	(85)
Adjustments for :-		
<i>Depreciation of property, plant & equipment</i>	17	17
<i>Depreciation of investment properties</i>	203	207
<i>Interest expense</i>	96	243
<i>Interest income</i>	(49)	(56)
Operating (loss)/profit before changes in working capital	<u>(1,545)</u>	<u>326</u>
Changes in working capital:		
<i>Net change in current assets</i>	(10,391)	(11,065)
<i>Net change in current liabilities</i>	11,112	10,526
Cash used in operations	<u>(824)</u>	<u>(213)</u>
Tax paid	(416)	(351)
Interest paid	(1,376)	(1,332)
Net cash used in operating activities	<u>(2,616)</u>	<u>(1,896)</u>
Cash Flow from Investing Activities		
Purchase of property, plant & equipment	(4)	(9)
Refurbishment of investment properties	(8)	(4)
Interest received	49	56
Rights issues expenses	(2)	-
Net cash generated from investing activities	<u>35</u>	<u>43</u>
Cash Flow from Financing Activity		
Net repayment of borrowings	(243)	(269)
Net cash used in financing activity	<u>(243)</u>	<u>(269)</u>
Net Changes in Cash & Cash Equivalents	(2,824)	(2,122)
Cash & Cash Equivalents at beginning of financial period	3,619	643
Cash & Cash Equivalents at end of financial period	<u>795</u>	<u>(1,479)</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

**PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.06.2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.06.2011 RM'000	CURRENT YEAR TODATE 30.06.2012 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.06.2011 RM'000
Revenue	1,638	6,915	2,275	7,947
(Loss)/profit before tax	(1,211)	179	(1,812)	(85)
Loss for the period	(1,376)	-	(2,167)	(422)
Loss attributable to owners of the parent	(1,137)	(186)	(1,878)	(587)
Basic loss per share (sen)	(1.25)	(0.20)	(2.06)	(0.64)
Proposed/ Declared dividend per ordinary share (sen)	-	-	-	-
Net assets per share attributable to owners of the parent (RM)	1.21	1.23		

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

PART A3 : ADDITIONAL INFORMATION FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	QUARTER	QUARTER	TODATE	PERIOD
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit from operations	(1,163)	322	(1,716)	158
Gross interest income	18	46	49	56
Gross interest expense	(48)	(143)	(96)	(243)

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

FINANCIAL QUARTER ENDED 30 JUNE 2012

PART A

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting.

A1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2011.

The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2011.

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards for the first time in these condensed interim financial statements. The transition to MFRS framework does not have any material financial impact to the financial statements of the Group.

A2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the preceding year annual financial statements was not qualified.

A3. SEASONAL OR CYCLICAL FACTORS

The business of the Group is generally not subject to seasonal changes.

A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter and the cumulative period ended 30 June 2012.

A5. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the results for the current financial quarter.

A6. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities during the financial period ended 30 June 2012.

A7. PAYMENT OF DIVIDEND

No dividend was paid during the current financial quarter.

A8. SEGMENTAL REPORTING

	6 Months Ended 30.06.2012 RM'000	6 Months Ended 30.06.2011 RM'000
Segment Revenue		
Property	1,563	7,293
Investment holding & Others	712	654
Group Revenue	2,275	7,947
Segment Results		
Property	(1,548)	479
Investment holding & Others	(168)	(321)
(Loss)/profit from operations	(1,716)	158

Segmental information relating to geographical areas of operations has not been presented as the Group operates only in Malaysia.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of property, plant and equipment is at cost less accumulated depreciation and impairment losses.

A10. MATERIAL EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There are no material events subsequent to the end of the financial period other than as disclosed in Note B7.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 30 June 2012.

A12. CONTINGENT LIABILITIES / CAPITAL COMMITMENTS

There were no material contingent liabilities and capital commitments as at the date of this report.

MULPHA LAND BERHAD

(Incorporated in Malaysia - 182350-H)

FINANCIAL QUARTER ENDED 30 JUNE 2012

PART B**Explanatory Notes Pursuant to paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.****B1. REVIEW OF PERFORMANCE**

The Group recorded a revenue of RM2.275 million and a loss before taxation of RM1.812 million for the current financial period ended 30 June 2012 as compared to the revenue and loss before taxation of RM7.947 million and RM85,000 respectively in the corresponding preceding year's period. The weaker performance in the current quarter is due to lower revenue recognised for the Group's development project at Nibong Tebal, Penang.

B2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION AGAINST IMMEDIATE PRECEDING QUARTER

The Group reported a pre-tax loss of RM1.211 million in the current quarter as compared to a pre-tax loss of RM601,000 in the previous quarter. The weaker performance of the current quarter was due to lower revenue recognised for the Group's development project at Nibong Tebal, Penang.

B3. PROSPECTS

The Group's prospect for the year 2012 is expected to be challenging given the increased risk to the Malaysian economy arising from global uncertainties.

B4. VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable as there was no profit forecast or profit guarantee issued.

B5. LOSS BEFORE TAXATION

This is arrived at after charging/(crediting) the following:

	2nd Quarter Ended		6 Months Ended	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	8	8	17	17
Depreciation of investment properties	102	103	203	207
Interest income	(18)	(46)	(49)	(56)

B6. TAXATION

	2nd Quarter Ended		6 Months Ended	
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	RM'000	RM'000	RM'000	RM'000
Malaysian tax expense				
Income tax				
- current year	(203)	(203)	(400)	(405)
- over provision of tax in respect of prior years	-	-	-	40
Reversal of deferred tax	38	24	45	28
	<u>(165)</u>	<u>(179)</u>	<u>(355)</u>	<u>(337)</u>

B7. STATUS OF CORPORATE PROPOSALS

On 4 May 2011, the Company ("Company" or "MLB") announced the following proposals:-

- (a) a renounceable rights issue of 456,605,000 rights shares and 273,963,000 free warrants at an indicative issue price of RM0.22 per rights share on the basis of five (5) rights shares and three (3) warrants for every one (1) existing share held in MLB at an entitlement date to be determined by the Board of Directors of MLB and announced later by the Company;
- (b) an increase in authorised share capital of the Company from RM120,000,000 comprising 200,000,000 ordinary shares of RM0.10 each ("Ordinary Shares") and 100,000,000 preference shares of RM1.00 each ("Preference Shares") to RM200,000,000 comprising 1,000,000,000 Ordinary Shares and 100,000,000 Preference Shares; and
- (c) amendments to the memorandum and articles of association of the Company to effect the proposed increase in the authorised share capital.

The Company has procured an unconditional and irrevocable undertaking from its major shareholder, Mulpha International Bhd ("MIB"), to fully subscribe to MIB's own entitlement under the above proposed rights issue as well as an unconditional and irrevocable undertaking from MIB to fully subscribe for all the rights shares not subscribed by the other entitled shareholders and/or their renouncee(s).

The above proposals were approved by the shareholders at an Extraordinary General Meeting held on 23 June 2011.

The Company had on 30 September 2011 obtained the approval of Bursa Malaysia Securities Berhad for the extension of time of six (6) months from 19 November 2011 to 19 May 2012 to implement the above mentioned proposed rights issue.

On 22 March 2012, Bursa Malaysia Securities Berhad had approved a further extension of time from 19 May 2012 to 19 November 2012 to implement the above mentioned proposal.

B8. GROUP BORROWINGS

The details of the Group's bank borrowings as at 30 June 2012 are as follows:-

	RM'000
Short Term - Secured	
Overdraft	3,287
Loan	6,393
	<u>9,680</u>
Long Term - Secured	
Loan	25,777
	<u>35,457</u>

B9. CHANGES IN MATERIAL LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration, either as plaintiff or defendant as at date of this report, which would have a material effect on the financial position of the Group.

B10. DIVIDENDS

The Directors do not recommend any dividend for the financial period ended 30 June 2012.

B11. LOSS PER SHARE

The basic loss per share for the financial period ended 30 June 2012 is calculated by dividing the Group's loss attributable to owners of the parent of RM1,878,000 (2011: loss of RM587,000) by the weighted average number of 91,321,000 (2011: 91,321,000) ordinary shares.

There are no potential dilution effects on ordinary shares of the Company for the current financial period. Accordingly, the diluted loss per share for the current period is equal to basic loss per share.

B12. DISCLOSURE OF REALISED AND UNREALISED EARNINGS

The retained earnings is analysed as follows:

	As at 30.06.2012 RM'000	As at 31.12.2011 RM'000
Total retained earnings of Mulpha Land Berhad and its subsidiaries:		
- Realised	126	1,934
- Unrealised	767	721
	<u>893</u>	<u>2,655</u>
Consolidated adjustments	6,974	7,089
	<u>7,867</u>	<u>9,744</u>