



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2012**

A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134²⁰⁰⁴ “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

A2. Changes in Accounting Policies

The significant accounting policies are consistent with those adopted for the Audited Financial Statements for the year ended 31 December 2011. On 1 January 2011, the Group and the Company adopted the following revised FRSs, Amendments, and Interpretations mandatory for annual financial periods beginning on or after 1 January 2011:-

Revised FRSs, Amendments and Interpretations	Effective Date
Revised FRS 3 “Business Combinations”	1 January 2011
Amendments to FRS 7 “Financial Instruments: “Disclosure – improving disclosure about financial instruments”	1 January 2011
Revised FRS 127 “Consolidated and separate financial statements”	1 January 2011
Improvements to FRSs (2010)	1 January 2011

The adoption of the abovementioned revised FRSs, Amendments and Interpretations did not have any effect on the financial performance or position of the Group and of the Company.

The Group and the Company’s financial statements for annual period beginning on 1 January 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) issued by the MASB that will also comply with International Financial Reporting Standards (“IFRS”). As a result, the Group and the Company will not be adopting the above new/amendments/interpretation.

A3. Audit Qualification of Preceding Annual Financial Statements

The Audited Financial Statements for the year ended 31 December 2011 were not subject to any qualification by the auditor.

A4. Seasonal and Cyclical Factors

The Group is principally engaged in property development in the State of Perak. The business operations are cyclical in nature which dependent on the economic conditions in the State of Perak.



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A5. Material and Unusual Items

There were no unusual material and unusual items affecting the Group's assets, liabilities, equity, net income or cash flows in the current financial quarter under review.

A6. Changes in Estimates

There were no changes in the estimates of amounts previously reported that have a material effect in the current financial quarter under review.

A7. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayments of debt and equity securities during the current financial quarter except for the conversion of Irredeemable Convertible Preference Shares ("ICPS") to ordinary shares.

The Company has converted RM3,935,050 nominal value of Irredeemable Convertible Preference Shares into 5,509,070 new ordinary shares from 1st January 2012 until 30th September 2012 with a conversion basis of every 10 units of ICPS to 7 units of ordinary shares.

A8. Dividend

On 25th July 2012, the Company has paid dividend of 1% Irredeemable Convertible Preference Shares in respect for the period from 8th April 2011 to 7th April 2012.

A9. Segmental Reporting

No segmental information analysis is prepared as the Group's business activities are predominantly located in Malaysia and engaged in the property development and the provision of management contract services.

A10. Property, Plant and Equipment

There was no valuation of property, plant and equipment in the current financial quarter under review. The valuation of property, plant and equipment has been brought forward without amendment from the financial statements for the year ended 31 December 2011.

A11. Subsequent Events

Saved as disclosed in Notes A7 and B8, there were no material events subsequent to the end of the current financial quarter ended 30 September 2012 and up to the date of this report.

A12. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial quarter under review.



MAJUPERAK HOLDINGS BERHAD (585389-X)

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A13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets since the last annual statements of financial position as at 31 December 2011.

A14. Capital Commitments

There were no capital commitments in the financial statements as at 31 December 2011 and as at the date of this report.



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B. EXPLANATION NOTES PURSUANT TO PARAGRAPH 9.22 OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD

B1. Performance Review

The Group's revenue for the financial period ended 30 September 2012 of RM25.72 million was higher compared with the revenue of RM12.83 million recorded in the preceding year's corresponding period which resulted in a favourable variance of 200.47%. The increase in revenue was mainly from the property development and sales of land compared to the preceding year's corresponding period. For the financial period ended 30 September 2012, the Group has sold 256 acres of Sg Buloh's land to Nandex Land Sdn Bhd with a revenue of RM13.00 million and 200 acres of Bidor land with an amount of RM8.516 million to KM Land Development Sdn Bhd.

The profit before tax from continuing operations in the current year to-date of RM7.74 million was 1,155.23% higher in comparison to (RM0.67 million) losses before tax from continuing operations recorded with the preceding year's corresponding period. The improved pre-tax profit for the current quarter was mainly due to revenue recorded has been increased compared to the preceding year's corresponding period.

B2. Comparison with Preceding Quarter's Results

	Quarter ended	
	30 Sept 12	30 Jun 12
	RM'000	RM'000
Revenue	1,701	9,168
(Loss)/Profit before taxation from continuing operations	(962)	620

For the current quarter under review, the Group's revenue of RM1.70 million has decreased by RM7.47 million compared to the preceding quarter of RM9.17 million. The Group had recorded losses before tax from continuing operations of (RM0.96) million compared to profit before tax from continuing operations of RM0.62 million recorded in the preceding quarter under review. The decrease of profit before tax from continuing operations were due to the cost of sales of Bidor's land being recognised in the current quarter under review.

B3. Current Year Prospects

The Group is expected to achieve satisfactory results in the year 2012. The process of restructuring its subsidiaries to streamline operations is showing progress and the Group will continue its efforts in applying effective cost saving measures.

B4. Profit Forecast

Not applicable as the Group did not publish any profit forecast.



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B5. Income Tax Expense

The taxation charge for the Group consists of the followings:

	Current Quarter 3 months ended 30 Sept 2012 RM'000	Cumulative Quarter 9 months ended 30 Sept 2012 RM'000
Current year provision	167	(2,226)
	<u>167</u>	<u>(2,226)</u>

The Group's effective tax rate for the 9-month financial period under review is higher than the statutory tax rate principally due to there is no any non-deductible expenses have being calculated.

B6. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments or properties for the current financial quarter and financial period to date.

B7. Quoted Securities

There were no purchases or disposals of quoted securities for the current financial quarter.

B8. Corporate Proposals

- i. On 14 March 2012, Majuperak Energy Resources Sdn Bhd ("MER"), a wholly owned subsidiary of the Company has entered into a sale and purchase agreement with Nandex Land Sdn Bhd a wholly owned subsidiary of Meda Inc Berhad for the sale of all that pieces of land held under Master Titles HS(D) Nos. 15024 PT 13677 and HS(D) No. 15026 PT 13679, both of Mukim Sungai Siput, District of Kuala Kangsar, State of Perak Darul Ridzuan, measuring approximately 1,036,150 square metres in area ("the Land") to Nandex to develop into a mixed development comprising of commercial and residential properties at a total consideration of Ringgit Malaysia Thirteen Million Only (RM13,000,000) only. However the sales of the Land is conditional upon the settlement of Land issues affected on the said Land, where the MER has appointed a project manager to settle the said Land issues and the sanction of the State Authorities of Perak Darul Ridzuan being obtained for the sale and transfer of the Land. As at to date the two conditions precedent, have yet to be fulfilled. However, the sale and purchase agreement provides for minimum of two (2) months for MER to resolve and fulfil the said conditions. Based on the net book value of the Land as at 31 December 2011 and the purchase price, there would be an estimated gain of RM8,318,705 only arising from the said sales. The proceeds from the sales, in the event the conditions are fulfilled, will be utilised partly as incurred costs to settle the Land issue and the balance is for working capital for MER's future project development purposes.



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B9. Borrowings

Total Group borrowings as at 30 September 2012 are as follows:

	30 Sept 2012	31 Dec 2011
	RM'000	RM'000
Current: secured	3,088	275
Non Current: secured	-	-

The above borrowings are denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

There were no financial instruments with off a balance sheet risk as at the date of this report.

B.11 Material Litigation

The Group is not involved in any material litigation, either as plaintiff or as defendant, and the Directors have no knowledge of any proceedings, pending or threatened, against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

B12. Earnings/(Loss) per share

a) Basic earnings/(loss) per share

The basic earnings/(loss) per share are calculated by dividing the Group's net profit/(loss) attributable to shareholders (net dividend of ICPS) by the weighted average number of shares in issue during the year.

	Individual quarter		Cumulative quarter	
	ended	ended	ended	ended
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
Net profit/(loss) attributable to shareholders (RM'000)	(957)	(795)	4,905	(1,981)
Weighted average number of shares in issue ('000)	174,881	161,956	174,881	161,956
Basic earnings/(loss) per share (sen)	(0.55)	(0.49)	2.81	(1.22)
Discontinued operations:				
Gain from discontinued operation (RM'000)	24	-	24	-
Weighted average number of shares in issue ('000)	174,881	161,956	174,881	161,956
Basic earnings per share (sen)	0.01	-	0.01	-



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b) Diluted earnings/(loss) per share

For the diluted earnings/(loss) per share calculation, the weighted average number of ordinary shares in issue during the financial year has been adjusted for the dilutive effects of potential ordinary shares in respect of conversion of ICPS into ordinary shares.

	Individual quarter		Cumulative quarter	
	ended 30 Sept 2012	ended 30 Sept 2011	ended 30 Sept 2012	ended 30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
Net profit/(loss) attributable to shareholders (RM'000)	(423)	(285)	5,439	(1,756)
Weighted average number of shares in issue ('000)	174,881	161,956	174,881	161,956
Conversion of ICPS ('000)	167,698	194,073	167,698	194,073
Weighted average number of shares in issue ('000)	342,579	356,030	342,579	356,030
Diluted earnings/(loss) per share (sen)	(0.12)	(0.08)	1.59	(0.49)
Discontinued operations:				
Gain from discontinued operations (RM'000)	24	-	24	-
Weighted average number of shares in issue ('000)	174,881	161,956	174,881	161,956
Conversion of ICPS ('000)	167,698	194,073	167,698	194,073
Weighted average number of shares in issue ('000)	342,579	356,030	342,579	356,030
Diluted earnings/(loss) per share (sen)	0.01	-	0.01	-

B13. AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors passed at the Board of Directors' meeting held on **26th November 2012**.