



**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2013**

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 Malaysian Financial Reporting Standard (“MFRS”) 134²⁰⁰⁴ “Interim Financial Reporting” issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These financial statements have been prepared on the historical cost basis. Certain financial instruments are carried at fair value in accordance with MFRS139 Financial Instruments: Recognition and Measurement.

The interim financial statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012. 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 2012.

A2. Changes in Accounting Policies

The Group adopted the following Standards, Amendments and IC Interpretations :-

Effective for financial periods beginning on or after 1 July 2012

MFRS 3 Business Combinations

Effective for financial periods beginning on or after 1 January 2013

MFRS 10	Consolidated Financial Statements
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefit (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investment in Associates and Joint Ventures (revised)
Amendments to MFRS 7	Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance

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

The following MFRSs have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been adopted by the Group :-

Effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS 132	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
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Effective for financial periods beginning on or after 1 January 2015

Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosures
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The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

A3. Audit Qualification of Preceding Annual Financial Statements

The Audited Financial Statements for the year ended 31 December 2012 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 and is diversifying into palm oil, renewable energy and bamboo for the year 2013. The business operations are cyclical in nature which dependent on the economic conditions in the State of Perak.

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 RM691,700 nominal value of Irredeemable Convertible Preference Shares into 968,380 new ordinary shares from 1st January 2013 until 30th June 2013 with a conversion basis of every 10 units of ICPS to 7 units of ordinary shares.

A8. Dividend

No dividend was paid during the financial quarter under review.

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.



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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 2012.

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 30th June 2013 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.

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 2012.

A14. Capital Commitments

There were no capital commitments in the financial statements as at 31 December 2012 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 year ended 30th June 2013 of RM8.93 million was lower compared with the revenue of RM24.02 million recorded in the preceding year's corresponding period which resulted a variance of 37.18%. The difference in revenue was mainly from the sales of Sg. Buloh's land in Sg. Siput at the preceding year's corresponding period which amounting RM13.00 million. For the financial year ended 30th June 2013, the Group's revenue are mainly derived from the sales of 2 acres land in Manjung, Perak amounting RM2.700 million, sales of Manong's land amounting RM0.578 million and property management income in Langkap, Tg Tualang, Ipoh and Batu Gajah which totalling RM3.198 million.

The profit before tax from continuing operations in the current year to-date of RM1.61 million was 18.50% lower in comparison to RM8.70 million profits before tax from continuing operations recorded with the preceding year's corresponding period. The pre-tax profit for the current year has decreased due to lower revenue recorded compared to the preceding year's corresponding period.

B2. Comparison with Preceding Quarter's Results

	Quarter ended	
	30 June 13	31 Mar 13
	RM'000	RM'000
Revenue	4,667	4,267
Profit before taxation from continuing operations	1,494	112

For the current quarter under review, the Group's revenue of RM4.67 million has increased by RM0.40 million compared to the preceding quarter of RM4.27 million. The Group had recorded profit before tax from continuing operations of RM1.49 million compared to profit before tax from continuing operations of RM0.11 million recorded in the preceding quarter under review.

B3. Current Year Prospects

The Group will continue to focus on its core business in property development, and also in palm oil plantation, renewable energy and bamboo divisions and the continuous development of its existing land banks. The utilities and property management division is gathering strength and continues to search out for growth opportunity locally and regionally.

With the Group's recent active involvement in property development and renewable energy, the latest division's long term growth prospect is expected to be enhanced. The Group is expected to achieve satisfactory results in the year 2013.

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 June 2013 RM'000	Cumulative Quarter 6 months ended 30 June 2013 RM'000
Current year provision	<u>(884)</u>	<u>(977)</u>
	(884)	(977)

The Group's effective tax rate for the 6-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

On 19 February 2013, Syarikat Majuperak Berhad ("SMB"), a wholly owned subsidiary of the Company and Xtreme New Sdn Bhd ("XN") entered into a Supplementary Agreement to record the terms and conditions on the variation of the Joint Venture Agreement ("JVA") to shorten the period of ten(10) years for the completion date of the JVA to five (5) years as stipulated in the JVA and the SMB's Entitlement shall be fixed sum of Ringgit Malaysia Forty Five Million (RM45,000,000.00) only which shall be paid in cash and in kind by XN. By virtue of the Supplementary Agreement, SMB's Entitlement shall be Ringgit Malaysia Thirty Seven Million (RM37,000,000.00) in cash and Four(4) units of Villa at the Alorie Cocoon Silverlakes Resort at the market value of RM2,000,000 per unit totalling Ringgit Malaysia Eight Million (RM8,000,000.00) only to be built at the XN's own costs and expenses, at the designated location by SMB.

B9. Borrowings

Total Group borrowings as at 30 June 2013 are as follows:

	30 June 2013 RM'000	31 Dec 2012 RM'000
Current: secured	<u>275</u>	<u>885</u>
Non Current: secured	<u>2,800</u>	<u>2,800</u>

The above borrowings are denominated in Ringgit Malaysia.



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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 June 2013	30 June 2012	30 June 2013	30 June 2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
Net profit/(loss) attributable to shareholders (RM'000)	192	(165)	207	5,698
Weighted average number of shares in issue ('000)	176,144	172,620	176,144	172,620
Basic earnings/(loss) per share (sen)	0.11	(0.10)	0.12	3.30
Discontinued operations:				
Loss from discontinued operation (RM'000)	(27)	-	(8)	-
Weighted average number of shares in issue ('000)	176,144	172,620	176,144	172,620
Basic loss per share (sen)	(0.015)	-	(0.005)	-

b) Diluted earnings per share

For the diluted earnings 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.

**MAJUPERAK HOLDINGS BERHAD (585389-X)****NOTES TO THE INTERIM FINANCIAL STATEMENTS
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	Individual quarter		Cumulative quarter	
	ended 30 June 2013	ended 30 June 2012	ended 30 June 2013	ended 30 June 2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations:				
Net profit attributable to shareholders (RM'000)	599	345	632	6,207
Weighted average number of shares in issue ('000)	176,144	172,620	176,144	172,620
Conversion of ICPS ('000)	80,908	172,311	80,908	172,311
Weighted average number of shares in issue ('000)	257,053	344,931	257,053	344,931
Diluted earnings per share (sen)	0.23	0.10	0.25	1.80
Discontinued operations:				
Loss from discontinued operations (RM'000)	(27)	-	(8)	-
Weighted average number of shares in issue ('000)	176,144	172,620	176,144	172,620
Conversion of ICPS ('000)	80,908	172,311	80,908	172,311
Weighted average number of shares in issue ('000)	257,053	344,931	257,053	344,931
Diluted loss per share (sen)	(0.011)	-	(0.003)	-

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 **29th August 2013**.