

# FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2012

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/12/2012	Preceding Year Corresponding Quarter Ended 31/12/2011	Current Year To Date Ended 31/12/2012	Preceding Year Corresponding Period To Date Ended 31/12/2011
	RM'000	RM'000	RM'000	RM'000
Revenue	34,837	12,794	34,837	12,794
Cost of sales	(24,759)	(8,707)	(24,759)	(8,707)
<b>Gross profit</b>	<u>10,078</u>	<u>4,087</u>	<u>10,078</u>	<u>4,087</u>
Other items of income	151	258	151	258
Administrative expenses	(3,150)	(2,660)	(3,150)	(2,660)
Finance costs	(594)	(721)	(594)	(721)
<b>Profit before tax</b>	<u>6,485</u>	<u>964</u>	<u>6,485</u>	<u>964</u>
Income tax benefit	147	45	147	45
<b>Profit net of tax, representing total comprehensive income for the period</b>	<u>6,632</u>	<u>1,009</u>	<u>6,632</u>	<u>1,009</u>
Attributable to:				
Equity holders of the parent	6,632	1,009	6,632	1,009
Minority interest	-	-	-	-
	<u>6,632</u>	<u>1,009</u>	<u>6,632</u>	<u>1,009</u>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic, for profit from continuing operations	<u>2.62</u>	<u>0.40</u>	<u>2.62</u>	<u>0.40</u>
Diluted, for profit from continuing operations	<u>2.62</u>	<u>0.40</u>	<u>2.62</u>	<u>0.40</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2012 and the accompanying explanatory notes attached to the interim financial statements)

# FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	As At 31/12/2012	As At 30/09/2012
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	1,321	1,337
Land held for property development	302,901	302,642
	<u>304,222</u>	<u>303,979</u>
<b>Current Assets</b>		
Property development costs	104,345	106,087
Inventories	27,994	29,235
Trade receivables & other receivables	35,610	45,067
Cash & Cash Equivalents	26,302	6,904
	<u>194,251</u>	<u>187,293</u>
<b>TOTAL ASSETS</b>	<u>498,473</u>	<u>491,272</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	253,317	253,317
Other reserves	22	22
Retained earnings	49,647	43,015
	<u>302,986</u>	<u>296,354</u>
Non-controlling interests	2,500	2,500
Total equity	<u>305,486</u>	<u>298,854</u>
<b>Non-current liabilities</b>		
Borrowings	36,875	33,925
Provision for foreseeable losses	14,313	14,313
Deferred tax liabilities	59,886	60,038
	<u>111,074</u>	<u>108,276</u>
<b>Current Liabilities</b>		
Borrowings	38,396	30,116
Trade & other payables	43,304	53,783
Tax payable	213	243
	<u>81,913</u>	<u>84,142</u>
<b>Total liabilities</b>	<u>192,987</u>	<u>192,418</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>498,473</u>	<u>491,272</u>
<b>Net assets per share attributable to equity holders of the parent (RM)</b>	1.20	1.17

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2012 and the accompanying explanatory notes attached to the interim financial statements)

**FOCAL AIMS HOLDINGS BERHAD**

(Company No:17777-V)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL PERIOD  
ENDED 31 DECEMBER 2012**

	3 months ended	
	31/12/2012	31/12/2011
	RM'000	RM'000
<b>Operating activities</b>		
Profit before tax	6,485	964
Adjustments for :		
Depreciation	45	55
Interest expense	594	721
Interest income	(102)	(39)
Provision for foreseeable loss	54	-
	7,076	1,701
Operating cash flows before changes in working capital	7,076	1,701
Property development expenditure	2,236	926
Inventories	1,238	191
Receivables	9,457	(225)
Payables	(10,479)	5,477
	9,528	8,070
Cash flows generated from operations	9,528	8,070
Interest received	102	39
Interest paid	(1,398)	(1,717)
Income taxes paid	(36)	(35)
Income taxes refunded	-	147
	8,196	6,504
<b>Net cash flows generated from operating activities</b>	<b>8,196</b>	<b>6,504</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(29)	(6)
Proceeds from disposal of property, plant and equipment	-	1
	(29)	(5)
<b>Net cash flows used in investing activities</b>	<b>(29)</b>	<b>(5)</b>
<b>Financing activities</b>		
Drawdown of term loans and bank overdraft	9,200	600
Drawdown of revolving credit	11,700	1,990
Repayment of term loans	(7,626)	(4,020)
	13,274	(1,430)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>13,274</b>	<b>(1,430)</b>
<b>Net increase in cash and cash equivalents</b>	<b>21,441</b>	<b>5,069</b>
<b>Cash and cash equivalents at 1 October 2011/2010</b>	<b>(8,112)</b>	<b>(6,345)</b>
<b>Cash and cash equivalents at 31 December 2012/2011</b>	<b>13,329</b>	<b>(1,276)</b>
<b>Cash and cash equivalents at the end of the financial year comprise the following:</b>		
Cash and bank balances	26,302	10,266
Bank overdrafts (included within short term borrowings)	(12,973)	(11,542)
	13,329	(1,276)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2012 and the accompanying explanatory notes attached to the interim financial statements)

# FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2012

	← Attributable to Equity Holders of the Parent →					Minority Interest	Total Equity
	← Non-Distributable →		Distributable	Total			
	Share Capital	Other Reserves	Retained Profits				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b><u>3 months year ended 31 December 2012</u></b>							
<b>At 1 October 2012</b>	253,317	22	43,015	296,354	2,500	298,854	
Total comprehensive income for the period	-	-	6,632	6,632	-	6,632	
At 31 December 2012	253,317	22	49,647	302,986	2,500	305,486	
<b><u>3 months year ended 31 December 2011</u></b>							
<b>At 1 October 2011</b>	253,317	22	41,365	294,704	2,500	297,204	
Total comprehensive income for the period	-	-	1,009	1,009	-	1,009	
At 31 December 2011	253,317	22	42,374	295,713	2,500	298,213	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2012 and the accompanying explanatory notes attached to the interim financial statements)

# FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

## PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

### A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting 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 30 September 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 year ended 30 September 2012.

### A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 September 2012, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs, IC Interpretations and Technical Release.

Description	Effective for annual periods beginning on or after
Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 124 Related Party Disclosures	1 January 2012
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012

The adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

#### Amendments to FRS 7: Transfers of Financial Assets

The amendments require additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Company's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendments require disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendments affect disclosure only and have no impact on the Group's financial position or performance.

#### Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

The amendments clarified the determination of deferred tax on investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured using the fair value model in FRS 140 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, they introduce the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in FRS 116 to be always measured on a sale basis of that asset.

#### Amendments to FRS 101: Presentation of Items of Other Comprehensive income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendments affect presentation only and have no impact on the Group's financial position or performance.

#### FRSs, Amendments to FRSs and IC Interpretations and Technical Releases issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but are not yet effective :

Description	Effective for annual periods beginning on or after
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 1: Government Loans	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12	1 January 2013
Improvements to FRSs Issued in 2012	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

The Directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

#### Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or “recycled”) to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendments affect presentation only and have no impact on the Group’s financial position or performance.

#### FRS 9 Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group’s financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Group is in the process of making an assessment of the impact of adoption of FRS 9.

#### FRS 12 Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group’s financial position or performance.

#### FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group is currently assessing the impact of adoption of FRS 13.

### **Malaysian Financial Reporting Standards (MFRS Framework)**

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein referred as “Transitioning Entities”). The adoption of the MFRS Framework by Transitioning Entities is deferred by another year and hence, will be mandatory only for annual financial period beginning on or after 1 January 2014.

The Group will present its first financial statements in accordance with the MFRS Framework for the financial year beginning on 1 October 2014. The Group is currently in the process of determining the impact arising from the initial application of MFRS Framework. Before the effective date, the Group will continue to prepare its financial statement in accordance with the FRS framework.

**A3. Qualification of Financial Statements**

The preceding annual financial statements of the Group was not subject to any qualification.

**A4. Explanatory comments about the seasonality or cyclicity of operations.**

This industry is not affected by any fluctuations in relation to seasonality and cyclicity of operations.

**A5. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.**

There were no unusual or exceptional items for the current financial year to date.

**A6. Nature and amount of changes in estimate of amount reported in prior interim periods of the current financial year, which give a material effect in the current interim period**

There were no changes in estimates which give rise to a material effect in the current interim period

**A7. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities.**

There were no issuance, cancellation, repurchase or resale and repayment of debt and equity securities for the current financial year to date.

**A8. Dividend**

No dividend has been paid by the Company for the financial period under review.

**A9. Segmental Reporting**

No segmental reporting is presented as the Group's operations primarily relate to property development activities and these are carried out entirely in Malaysia.

**A10. Valuation of property, plant & equipment**

No valuation was carried out on the Group's property, plant and equipment for the financial period ended 31 December 2012.

**A11. Events subsequent to the end of the Interim Period of the Financial Statements**

There are no material events subsequent to the end of the interim period reported or that have not been reflected in the financial statements for the said period.

**A12. Effect of Changes in the Composition of The Group**

There were no changes in the composition of the Group for the current year to date.

**A13. Changes in contingent liabilities or contingent assets.**

The group has no contingent liabilities at the date of this report.

**B. Additional notes as required by Bursa Malaysia Listing Requirements****B1. Review of Performance**

The Group has registered revenue of RM34.8 million and profit before tax of RM6.5 million for the three months ended 31 December 2012 as compared to revenue of RM12.8 million and profit before tax of RM964,000 for the previous corresponding financial period. The Group's profit before tax has increased by more than 100% in the current year as compared to the previous corresponding year period mainly due to new sales as well as recognition of revenue previously not recognized due to the percentage of completion is less than 20%.

**B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.**

The Group's profit before tax of RM6.5 million for the first quarter when compared to RM964,000 registered in the immediate preceding quarter ended 31 December 2011 was more than 100% higher. This is due to higher revenue driven by new sales as well as progressive recognition of development for both Kota Masai and Saujana O-Lot projects.

**B3. Current Year Prospect**Kota Masai Project (Mukim Plentong, Johor)

We expect the sales of residential, commercial and industrial properties to remain strong due to the enhanced awareness and positive effects of Iskandar Malaysia ("IM").

Saujana O-Lot Project (Mukim Damansara, Selangor)

The economic uncertainties of the United States ("US") and European Union ("EU"), coupling with the tightening of bank lending policy, has affected the sentiments of the potential purchasers for Saujana O-Lot. Nevertheless, the interests are still strong evidenced by the frequent call-ins and walk-ins. The sale is expected to remain the same.

**B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee.**

Not applicable

**B5. Profit before tax**

The following items have been included in arriving at profit before tax:

	<b>Current Year Quarter 31/12/2012 RM'000</b>	<b>Current year To date 31/12/2012 RM'000</b>
(a) Interest income	(102)	(102)
(b) Other income including investment income	(49)	(49)
(c) Interest expense	594	594
(d) Depreciation and amortization	45	45
(e) Provision for and written off of receivables	-	-
(f) Provision for and written off of inventories	-	-
(g) (Gain)/Loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain/loss	-	-
(j) (Gain)/Loss on derivatives	-	-
(k) Exceptional items	-	-



**B6. Income tax benefit**Major components of income tax benefit

The major components of income tax benefit for the quarter/year ended 31 December 2012 are:

	<b>Current Year Quarter 31/12/2012 RM'000</b>	<b>Current year To date 31/12/2012 RM'000</b>
Statement of comprehensive income:		
Current year income tax	6	6
Overprovision in prior years	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(153)	(153)
Income tax benefit recognised in profit or loss	<u>(147)</u>	<u>(147)</u>

Reconciliation between tax benefit and accounting profit

The reconciliation between tax benefit and the product of accounting profit multiplied by the applicable corporate tax rate for the quarter/year ended 31 December 2012 are as follows:

Profit before tax	<u>6,485</u>	<u>6,485</u>
Taxation at Malaysian statutory tax rate of 25%	1,621	1,621
Adjustments:		
Effect of expenses not deductible for tax purposes	96	96
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(1,881)	(1,881)
Deferred tax assets recognised on unused tax losses and capital allowance	17	17
Deferred tax assets not recognised on provision for foreseeable losses	-	-
Overprovision of tax expense in prior years	-	-
Income tax benefit recognised in profit or loss	<u>(147)</u>	<u>(147)</u>

**B7. Sale of unquoted investment and / or properties**

There were no sale of unquoted investment and /or properties for the current quarter and financial year to-date.

**B8. Particulars of purchase or disposal of quoted securities.**

There were no purchases or disposals of quoted securities by the Group for the current quarter and financial year to-date.

**B9. (a) Status of corporate proposal**

There are no outstanding corporate proposals announced but not completed as at 31 December 2012.

**(b) Status of utilisation of proceeds raised from any corporate proposal.**

Not applicable.

**B10. Group borrowings and debt securities**

Details of the Group's borrowings as at 31 December 2012 are as follows:

	<b>RM'000</b>
Short term borrowings	
Secured	
Revolving credit	18,311
Overdraft	12,973
Term loans	7,112
	<u>38,396</u>
Long term borrowings	
Secured	
Term loans	36,875
	<u>36,875</u>

There were no term loans or bank borrowings denominated in foreign currencies as at the reporting date.

**B11. Summary of off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risk as at 31 December 2012.

**B12. Changes in material litigation**

There was no material litigation pending as at 31 December 2012.

**B13. Dividend**

The Directors do not recommend any dividend for the current quarter.

**B14. Earnings per share**Basic

Earnings per share is calculated by dividing the Company's loss after taxation over ordinary shares in issue during the year.

	<b>Current Quarter Ended 31/12/2012</b>	<b>Corresponding Quarter Ended 31/12/2011</b>	<b>Current Year to date Ended 31/12/2012</b>	<b>Corresponding Year to date Ended 31/12/2011</b>
Net Profit attributable to ordinary shareholders (RM'000)	<u>6,632</u>	<u>1,009</u>	<u>6,632</u>	<u>1,009</u>
Number of ordinary shares in issue ('000)	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>
Basic earnings per share (sen)	<u>2.62</u>	<u>0.40</u>	<u>2.62</u>	<u>0.40</u>
Diluted earnings per share (sen)	<u>2.62</u>	<u>0.40</u>	<u>2.62</u>	<u>0.40</u>

**B15. Realised/Unrealised Retained Profits**

	<b>As At 31/12/2012</b>	<b>As At 30/09/2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Total retained profits of FAHB and its subsidiaries</b>		
- Realised	32,470	25,380
- Unrealised	-	-
<b>Consolidation adjustments</b>	<u>17,177</u>	<u>17,635</u>
<b>Total group retained profits as per consolidated accounts</b>	<u>49,647</u>	<u>43,015</u>

By order of the Board

Chua Siew Chuan  
Company Secretary