

ECO WORLD DEVELOPMENT GROUP BERHAD
(formerly known as Focal Aims Holdings Berhad)
(Company No: 17777-V)
(Incorporated in Malaysia)

Interim Financial Report
30 September 2014

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	Page No.
Condensed Consolidated Statement of Comprehensive Income	1
Condensed Consolidated Statement of Financial Position	2
Condensed Consolidated Statement of Changes In Equity	3
Condensed Consolidated Statement of Cash Flows	4
Notes to the Interim Financial Report	5-8
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad	9-14

ECO WORLD DEVELOPMENT GROUP BERHAD
(formerly known as Focal Aims Holdings Berhad)
(Company No: 17777-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2014
(The figures have not been audited)

	3 MONTHS ENDED		12 MONTHS ENDED	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Revenue	35,633	43,983	112,360	156,326
Cost of sales	<u>(25,865)</u>	<u>(32,288)</u>	<u>(83,215)</u>	<u>(108,035)</u>
Gross profit	9,768	11,695	29,145	48,291
Other items of income	510	339	1,865	1,016
Administrative expenses	(7,990)	(5,450)	(19,497)	(15,806)
Finance costs	(699)	(2,594)	(2,244)	(3,898)
Profit before tax	1,589	3,990	9,269	29,603
Taxation	(823)	(3,963)	(3,460)	(5,335)
Profit for the period	<u>766</u>	<u>27</u>	<u>5,809</u>	<u>24,268</u>
Other comprehensive income, net of tax:				
Exchange differences on translation of foreign operations	(1)	-	(1)	-
Total comprehensive income for the period	<u>765</u>	<u>27</u>	<u>5,808</u>	<u>24,268</u>
Profit attributable to:				
Equity holders of the Company	<u>766</u>	<u>27</u>	<u>5,809</u>	<u>24,268</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>765</u>	<u>27</u>	<u>5,808</u>	<u>24,268</u>
Earnings per share attributable to equity holders of the Company:				
Basic earnings per share (sen)	<u>0.30</u>	<u>0.01</u>	<u>2.29</u>	<u>9.58</u>
Diluted earnings per share (sen)	<u>0.30</u>	<u>0.01</u>	<u>2.29</u>	<u>9.58</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 September 2013 and the accompanying explanatory notes attached to the interim financial statements)

ECO WORLD DEVELOPMENT GROUP BERHAD
(formerly known as Focal Aims Holdings Berhad)
 (Company No: 17777-V)
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

	(UNAUDITED)	(AUDITED)
	As At 30/09/2014 RM'000	As At 30/09/2013 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	4,289	1,161
Land held for property development	301,810	301,535
Deferred tax assets	332	-
	306,431	302,696
Current assets		
Property development costs	40,523	82,212
Inventories	56,795	39,570
Trade and other receivables	228,635	39,507
Current tax assets	491	-
Deposits	1,446	4,197
Cash and bank balances	30,964	21,047
	358,854	186,533
TOTAL ASSETS	665,285	489,229
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	253,317	253,317
Other reserves	22	22
Exchange translation reserve	(1)	-
Retained earnings	71,159	65,383
	324,497	318,722
Non-controlling interests	-	2,500
Total equity	324,497	321,222
Non-current liabilities		
Other payables	15,330	15,330
Long term borrowings	115,091	4,688
Deferred tax liabilities	55,753	56,885
	186,174	76,903
Current liabilities		
Trade and other payables	53,583	39,945
Amount owing to shareholder	983	-
Short term borrowings	100,000	33,152
Bank overdrafts	-	14,308
Current tax liabilities	48	3,699
	154,614	91,104
Total liabilities	340,788	168,007
TOTAL EQUITY AND LIABILITIES	665,285	489,229
Net assets per share (RM)	1.28	1.27

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 September 2013 and the accompanying explanatory notes attached to the interim financial statements)

ECO WORLD DEVELOPMENT GROUP BERHAD
(formerly known as Focal Aims Holdings Berhad)
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 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2014

(The figures have not been audited)

	←————— Attributable to Equity Holders of the Company —————→				Total RM'000	Non- controlling interests RM'000	Total Equity RM'000
	←————— Non-Distributable	Share premium RM'000	Exchange translation reserve RM'000	—————→ Distributable Retained earnings RM'000			
<u>12 months period ended 30 September 2014</u>							
At 1 October 2013	253,317	22	-	65,383	318,722	2,500	321,222
Total other comprehensive income, represented by exchange differences on translation of foreign operations	-	-	(1)	-	(1)	-	(1)
Profit for the period	-	-	-	5,809	5,809	-	5,809
Transactions with owners:							
Transfer of equity from non-controlling interests	-	-	-	2,500	2,500	(2,500)	-
Dividend paid	-	-	-	(2,533)	(2,533)	-	(2,533)
At 30 September 2014	253,317	22	(1)	71,159	324,497	-	324,497
<u>12 months period ended 30 September 2013</u>							
At 1 October 2012	253,317	22	-	43,015	296,354	2,500	298,854
Total comprehensive income	-	-	-	24,268	24,268	-	24,268
Transactions with owners:							
Dividend paid	-	-	-	(1,900)	(1,900)	-	(1,900)
At 30 September 2013	253,317	22	-	65,383	318,722	2,500	321,222

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2013 and the accompanying explanatory notes attached to the interim financial statements)

ECO WORLD DEVELOPMENT GROUP BERHAD
(formerly known as Focal Aims Holdings Berhad)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014
(The figures have not been audited)

	12 MONTHS ENDED	
	30/09/2014 RM'000	30/09/2013 RM'000 (Restated)
Operating activities		
Profit before tax	9,269	29,603
Adjustments for :		
Non-cash items	670	2,025
Non-operating items	573	3,308
Operating cash flows before changes in working capital	10,512	34,936
Property development expenditure	15,917	25,484
Inventories	11,664	(11,882)
Receivables	(5,332)	5,560
Payables	(5,107)	(12,821)
Cash flows generated from operations	27,654	41,277
Interest received	1,384	590
Interest paid	(3,448)	(4,631)
Net Income taxes paid	(9,067)	(5,034)
Net cash flows generated from operating activities	16,523	32,202
Investing activities		
Additions to land held for property development	(2,198)	-
Development expenditure paid	(723)	-
Purchase of property, plant and equipment	(3,752)	(73)
Proceeds from disposal of property, plant and equipment	390	3
Deposit paid for acquisition of land	(75,945)	-
Deposit paid for acquisition of development rights	(88,809)	-
Other investments	286	-
Net cash flows used in investing activities	(170,751)	(70)
Financing activities		
Drawdown of term loans	215,091	9,200
Drawdown of revolving credit	-	13,300
Repayment of revolving credit	(19,911)	-
Repayment of term loans	(17,929)	(33,684)
Advances from shareholder	983	-
Dividend paid	(2,533)	(1,900)
Net cash flows from/ (used in) financing activities	175,701	(13,084)
Net increase in cash and cash equivalents	21,473	19,048
Effect of exchange rate changes	1	-
Cash and cash equivalents at 1 October 2013/2012	10,936	(8,112)
Cash and cash equivalents at 30 September 2014/2013	32,410	10,936
Cash and cash equivalents comprise the following:		
Deposits	1,446	4,197
Cash and bank balances	30,964	21,047
Bank overdrafts	-	(14,308)
	32,410	10,936

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 September 2013 and the accompanying explanatory notes attached to the interim financial statements)

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report has been prepared in accordance with Financial Reporting Standard 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2013.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 30 September 2013 except for the adoption of the following new/revised FRSs and Amendments to FRSs:-

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRSs	Improvements to FRSs (2012)
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above new FRSs and Amendment to FRSs do not have any material impact on the Interim Financial Statements of the Group.

The following are the Amendments to FRSs which are effective but are not applicable to the Group:-

Amendments to FRS 1	Government Loans
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine

Malaysia Financial Reporting Standards (“MFRS”)

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”). Transitioning Entities are allowed to continue to use the existing FRS framework and defer adoption of MFRS to annual periods beginning on or after 1st January 2017.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of MFRS. The Group will adopt MFRS and will prepare its first set of MFRS financial statements for the financial year ended 31st October 2018. 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 statements in accordance with the FRS framework.

2. Seasonal or Cyclical Factors

The business operations of the Group during the 12 months ended 30 September 2014 under review have not been materially affected by any seasonal or cyclical factors.

3. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items for the 12 months ended 30 September 2014.

4. Changes in Estimates

There were no changes in estimates for the 12 months ended 30 September 2014.

5. Debts and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the 12 months ended 30 September 2014.

6. Dividends Paid

A first and final dividend of 1 sen per ordinary share amounting to RM2,533,170 was paid on 23 April 2014 in respect of the financial year ended 30 September 2013.

7. Segmental Reporting

No segmental reporting is presented as the Group is primarily engaged in the business of property development and the operations of the Group are primarily carried out in Malaysia.

8. Events after the End of the Interim Financial Period

There were no significant events after 30 September 2014 till 13 November 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report) except as disclosed in page 12, Note 6 (ii) and Note 6 (iv) below.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and 12 months ended 30 September 2014 except for the following:-

- (i) Acquisition of 2 ordinary shares of RM1.00 each in Eco World Ukay Sdn Bhd (*formerly known as Maple Kingdom Sdn Bhd*) (“EWUSB”) on 10 March 2014, resulting in EWUSB becoming a wholly-owned subsidiary of Eco World Development Group Berhad (*formerly known as Focal Aims Holdings Berhad*) (“EW Berhad”);
- (ii) Acquisition of 2 ordinary shares of RM1.00 each in Eco Sanctuary Sdn Bhd (*formerly known as Prominent Stream Sdn Bhd*) (“ESSB”) on 17 March 2014, resulting in ESSB becoming a wholly-owned subsidiary of EW Berhad;
- (iii) Acquisition of 2 ordinary shares of RM1.00 each in Teraju Pasifik Sdn Bhd (“TPSB”) on 31 March 2014, resulting in TPSB becoming a wholly-owned subsidiary of EW Berhad;

9. Changes in the Composition of the Group (continued)

- (iv) Acquisition of 2 ordinary shares of RM1.00 each in Majestic Blossom Sdn Bhd, Eco Sky Sdn Bhd (*formerly known as Crystal Cypress Sdn Bhd*), Trinity Lake Sdn Bhd, Eco Terraces Sdn Bhd (*formerly known as Maha Meridian Sdn Bhd*) and Eco Business Park 2 Sdn Bhd (*formerly known as Velvet Rhythm Sdn Bhd*) respectively on 14 April 2014, resulting in these five companies becoming wholly-owned subsidiaries of EW Berhad;
- (v) Acquisition of 2 ordinary shares of RM1.00 each in Eco Meadows Sdn Bhd (*formerly known as Cangkat Juara Sdn Bhd*), Evergreen Upstream Sdn Bhd, Eco Business Park 1 Sdn Bhd (*formerly known as Gaya Setara Sdn Bhd*) and Natural Esplanade Sdn Bhd respectively on 17 April 2014, resulting in these four companies becoming wholly-owned subsidiaries of EW Berhad;
- (vi) Acquisition of 2 ordinary shares of RM1.00 each in Pingat Stabil Sdn Bhd (“PSSB”) on 11 June 2014, resulting in PSSB becoming a wholly-owned subsidiary of EW Berhad;
- (vii) Incorporation of a subsidiary, Eco World Development (S) Pte Ltd (“EWDS”) on 13 June 2014, with an issued and paid up capital of SGD1.00, comprising of 1 ordinary share of SGD1.00 each, resulting in EWDS becoming a wholly-owned subsidiary of EW Berhad;
- (viii) Acquisition of 2 ordinary shares of RM1.00 each in Arah Selasih Sdn Bhd, Rentas Prestasi Sdn Bhd and Sendi Prestasi Sdn Bhd respectively on 24 June 2014, resulting in these three companies becoming wholly-owned subsidiaries of EW Berhad; and
- (ix) Acquisition of 2 ordinary shares of RM1.00 each in Eco World Trading Sdn Bhd (*formerly known as Eco World Marketing Sdn Bhd*) and Eco World IBS Sdn Bhd respectively on 3 July 2014, resulting in these two companies becoming wholly-owned subsidiaries of EW Berhad.

10. Contingent Liabilities

There were no contingent liabilities that has arisen since the date of the latest audited balance sheet.

11. Capital Commitments

	As at 30/09/2014 RM'000
Contracted commitment to purchase development land	626,405
Contracted commitment for acquisition of property, plant and equipment	389
Net contractual commitment for acquisition of development rights *	1,687,367
Contractual commitment for acquisition of companies	<u>#</u>

* *The net contractual commitment is stated after deducting the Group's obligation to repay existing land loans and unpaid land costs totalling RM2,009.6 million, as stated in the Note 6(a)(ii)(cc) below.*

The Group is also required to reimburse certain expenses and shareholders' advances in the manner set out in the various agreements relating to the acquisitions of development rights, the amounts of which can only be determined nearer to the date of completion of the acquisitions.

Represents RM4.00

12. Changes in Comparative Figures

The following comparative figures for the 12 months ended 30 September 2013 have been reclassified to conform with the presentation for the 12 months ended 30 September 2014:

Statement of Cash Flows

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Operating activities			
Dividend paid	(1,900)	1,900	-
Financing activities			
Dividend paid	-	(1,900)	(1,900)

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Group Performance

The Group's revenue of RM35.6 million and profit before tax of RM1.6 million for the current quarter are lower than the respective amounts of RM44.0 million and RM4 million recorded in the same quarter in the previous financial year.

For the 12 months ended 30 September 2014, the Group also recorded lower revenue and profit before tax of RM112.4 million and RM9.3 million, respectively, as compared to RM156.3 million and RM29.6 million, respectively, in the previous financial year.

The decrease in revenue is attributable to the completion of the *Saujana Glenmarie* project in first quarter of current financial period, as well as the absence of any sizeable launches of new parcels at the *Kota Masai* project in Iskandar Malaysia pending approval of the revised master plan by the authorities.

For the 13 months ended 31 October 2014, sales derived from the ongoing parcels of the *Kota Masai* project and from sale of completed units at *Saujana Glenmarie* amounted to RM165.7 million.

2. Material changes in the Quarterly Results compared to the results of the Preceding Quarter

The Group's current quarter before tax of RM1.6 million is lower as compared to RM2.8 million in the immediate preceding quarter ended 30 June 2014, mainly due to higher marketing cost incurred for the *Kota Masai* project, to promote sales of on-going phases as well as to introduce the new *Eco Tropics* and *Eco Business Park III* complementary developments which will be launched after obtaining approval of the revised master plan as mentioned above.

3. Prospects for the Current Financial Year

The Group's financial performance for the 12 months ended 30 September 2014 has been constrained by the completion of *Saujana Glenmarie* and the inability to launch new properties at *Eco Tropics* while awaiting approval of the revised master plan by the authorities.

The situation is unlikely to change materially in the month of October 2014, which is the 13th month of the current 13-month financial reporting period.*

Going forward however, the Group's prospects are highly positive.

The expansion plans announced to date have progressed well since the release of the interim financial report for the third quarter. On 19 September 2014, the Company's shareholders approved the Proposed Eco Sanctuary Land Acquisition. The corporate exercise announced on 25 April 2014 and referred to in Note 6 (ii) below has also been approved by Bursa Malaysia Securities Berhad. The Company targets to hold the Extraordinary General Meeting to seek the approval of its shareholders for this exercise by mid-December 2014.

On the development front, Eco World Development Sdn Bhd ("**EW Sdn Bhd**") has continued to launch new parcels at its various projects in the Klang Valley and Johor Bahru, the development rights of which are being acquired by the Group pursuant to the corporate exercise mentioned above.

* On 12 December 2013, the Group announced that it was changing its financial year end date from 30 September to 31 October in the current financial reporting period. Accordingly, the current financial reporting period will cover the 13 months ending 31 October 2014.

3. Prospects for the Current Financial Year (continued)

The Board has been informed by EW Sdn Bhd that sales conversions on all projects launched have been very strong. As at 31 October 2014, the cumulative sales achieved by EW Sdn Bhd's launched projects, namely *EcoSky*, *EcoMajestic*, *EcoBotanic*, *EcoSpring* and *Eco Business Park 1* totalled RM3.02 billion. The benefits of these sales will flow to the Group upon completion of the development rights agreements, which is now targeted to take place by the first quarter of calendar year 2015.

4. Variance of Actual Profit from Forecast Profit

There were no profit forecast published as at 30 September 2014.

5. Income Tax

Income Tax comprises:-

	3 MONTHS ENDED		12 MONTHS ENDED	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
- current taxation	1,595	7,710	4,934	8,459
- in respect of prior years	-	-	(9)	29
- deferred taxation	(772)	(3,747)	(1,465)	(3,153)
	<u>823</u>	<u>3,963</u>	<u>3,460</u>	<u>5,335</u>

The Group's effective tax rate for the current quarter and financial period-to-date is higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

6. Status of Corporate Proposals

- (a) The following are the corporate proposals that have been announced by the Company and which were not yet completed as at 13 November 2014, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report:-
- (i) On 19 March 2014, Eco Sanctuary Sdn Bhd (*formerly known as Prominent Stream Sdn Bhd*), a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement ("SPA") with Sapphire Index Sdn Bhd, a wholly-owned subsidiary of Tropicana Corporation Berhad, for the proposed acquisition of parcels of leasehold land measuring approximately 308.72 acres in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor for a purchase consideration of RM470,674,512 ("the Proposed Eco Sanctuary Land Acquisition").

The Proposed Eco Sanctuary Land Acquisition is pending fulfillment of conditions precedent within three months from the date of the SPA with an automatic extension of three months thereafter expiring on 19 September 2014 ("Initial Cut-off Date"). As announced on 29 August 2014, the parties have mutually extended the approval period for a period of six months from the Initial Cut-off Date, to expire on 19 March 2015 for the fulfilment of the conditions precedent.

The Proposed Eco Sanctuary Land Acquisition was approved by shareholders at the Company's Extraordinary General Meeting held on 19 September 2014;

6. Status of Corporate Proposals (continued)

(ii) On 25 April 2014, the Company announced the followings:

- (aa) proposed acquisition of Eco Macalister Development Sdn Bhd (*formerly known as Bintang Dedikasi Sdn Bhd*), a wholly-owned subsidiary of Eco World Development Sdn Bhd (“EW Sdn Bhd”), for a cash consideration of RM2.00 (“the Proposed Eco Macalister Acquisition”);
- (bb) proposed acquisition of Eco World Project Management Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd, for a cash consideration of RM2.00 (“the Proposed EW Project Management Acquisition”);
- (cc) proposed acquisition of development rights from certain subsidiaries of EW Sdn Bhd for an aggregate net consideration of RM1,776.2 million after taking into consideration the Group’s obligation to repay existing land loans and unpaid land costs totalling RM2,009.6 million (“the Proposed Development Rights Acquisition”);

The Proposed Eco Macalister Acquisition, the Proposed EW Project Management Acquisition and the Proposed Development Rights Acquisition are collectively referred to as “the Proposed Acquisitions”.

- (dd) proposed share subscription by Eco World Development Holdings Sdn Bhd (“EW Holdings”) and Sinarmas Harta Sdn Bhd of an aggregate of 806,846,852 new ordinary shares in the Company (“Company Shares”), for an aggregate cash consideration of RM1,371.6 million (“the Proposed Share Subscription”);
- (ee) proposed share split involving the subdivision of each of the existing ordinary shares of RM1.00 each into two (2) ordinary shares of RM0.50 each in the Company (“the Proposed Share Split”);
- (ff) proposed renounceable rights issue of new Company Shares together with free detachable warrants (“Warrants”) (“the Proposed Rights Issue with Warrants”);
- (gg) proposed placement of new Company Shares, representing up to 20% of the then existing issued and paid-up share capital of the Company to investors to be identified (“the Proposed Placement”);
- (hh) proposed amendments to the Memorandum and Articles of Association of the Company to amend the par value of the existing ordinary shares in the Company and to increase the authorised share capital of the Company (“the Proposed Amendments”).

Upon completion of the Proposed Share Subscription, EW Holdings will be obliged to undertake a mandatory general offer for the remaining Company Shares not already held by EW Holdings and persons acting in concert in accordance with Section 9, Part III of the Malaysian Code on Take-overs and Mergers, 2010 (“Code”) (“Share Subscription MGO Obligation”). EW Holdings intends to seek an exemption from the Securities Commission Malaysia from having to undertake the Share Subscription MGO Obligation in accordance with Paragraph 16.1(b) of Practice Note 9 of the Code (“the Proposed Exemption”).

The Proposed Eco Macalister Acquisition, the Proposed EW Project Management Acquisition, the Proposed Development Rights Acquisition, the Proposed Share Subscription, the Proposed Share Split, the Proposed Rights Issue with Warrants, the Proposed Placement, the Proposed Amendments and the Proposed Exemption are collectively referred to as “the Proposals”.

6. Status of Corporate Proposals (continued)

The Proposals are inter-conditional upon each other.

The Proposed Acquisitions and the Proposed Subscription are pending fulfillment of conditions precedent within six months from the date of the various agreements which expired on 25 October 2014. As announced on 23 October 2014, the parties have mutually extended the approval period for a period of four months until 25 February 2015 for the fulfillment of the conditions precedent.

The Proposed Share Subscription, the Proposed Share Split, the Proposed Rights Issue with Warrants, the Proposed Placement have been approved by Bursa Malaysia Securities Berhad via its letter dated 7 November 2014 subject to certain conditions.

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposals (save for the Proposed Placement) are now expected to be completed by the first quarter of calendar year 2015. The Proposed Placement is now expected to be completed by the second quarter of calendar year 2015;

- (iii) On 2 July 2014, Majestic Blossom Sdn Bhd, a wholly-owned subsidiary of the Company, has entered into a conditional sale and purchase agreement (“SPA”) with Univas (Far East) Sdn Bhd, for the proposed acquisition of freehold land measuring approximately 492.6572 acres in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor for a purchase consideration of RM225,331,550.12 (“the Proposed Semenyih Land Acquisition”).

The completion of the Proposed Semenyih Land Acquisition is subject to, among others, the fulfillment of conditions precedent and the performance by the Parties of their respective obligations including the removal of caveat and/or disposal of litigation (as the case maybe) as set out in the SPA.

In the event the removal of caveat and/or the disposal of litigation are not achieved on or before the unconditional date, the completion of the Proposed Semenyih Land Acquisition may be extended in the manner set out in SPA. Further details on the Proposed Semenyih Land Acquisition will be set out in the circular to shareholders to be issued by mid-December 2014; and

- (iv) On 16 October 2014, EW Berhad has expressed its interest to subscribe for 1,125,000,000 ordinary shares of RM0.01 each in Eco World International Berhad (“EWI”) (“EWI Shares”) together with 1,125,000,000 free detachable warrants at an indicative issue price of RM0.50 per EWI Share for an indicative aggregate consideration of RM562.5 million (“the Proposed EWI Subscription”).

- (b) There were no proceeds raised from any corporate proposals as at 30 September 2014.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities were as follows:-

	As at 30/09/2014 RM'000
Secured	
Short Term Borrowings	100,000
Long Term Borrowings	115,091
	<u>215,091</u>

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

8. Material Litigation

The Group was not engaged in any material litigation as at 13 November 2014 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

9. Dividends Declared

No interim dividend has been declared in respect of the 12 months ended 30 September 2014.

10. Earnings Per Share Attributable To Equity Holders of The Company

Earnings per share has been calculated by dividing the Group's profit for the current quarter and financial period-to-date attributable to equity holders of the Company by the number of shares in issue as follows:-

	3 MONTHS ENDED		12 MONTHS ENDED	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	'000	'000	'000	'000
Profit for the period attributable to equity holders of the Company (RM)	766	27	5,809	24,268
Number of ordinary shares in issue	253,317	253,317	253,317	253,317
Basic Earnings Per Share (sen)	0.30	0.01	2.29	9.58
Diluted Earnings Per Share (sen)	0.30	0.01	2.29	9.58

11. Realised and Unrealised Profits

The breakdown of the Group's retained profits as at 30 September 2014 into realised and unrealised profits pursuant to Bursa Malaysia's directive, is as follows:-

	30/09/2014	30/09/2013
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	60,676	54,335
- Unrealised	2,095	1,763
	62,771	56,098
Consolidation adjustments	8,388	9,285
Total Group retained profits as per consolidated accounts	71,159	65,383

The comparative amounts have been reclassified to conform with the presentation in the current financial period-to-date.

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in Bursa Malaysia's directive and should not be applied for any other purposes.

12. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the year ended 30 September 2013 was unqualified.

13. Notes to the Statement of Comprehensive Income

Comprehensive Income has been arrived at after crediting/ (charging):-

	3 MONTHS ENDED 30/09/2014 RM'000	12 MONTHS ENDED 30/09/2014 RM'000
Interest income	485	1,671
Other income including investment income	25	194
Interest expense	(699)	(2,244)
Depreciation and amortisation	(191)	(384)
Provision for write off of receivables	N/A	N/A
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	N/A	N/A
Impairment of assets	N/A	N/A
Foreign exchange gain or loss	-	(1)
Gain or loss on derivatives	N/A	N/A
Exceptional items	N/A	N/A

By order of the Board

Chua Siew Chuan
Company Secretary