

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 17777-V)
(Incorporated in Malaysia)

Interim Financial Report
30 April 2015

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(Incorporated in Malaysia)

Interim Financial Report - 30 April 2015

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2015
(The figures have not been audited)

	CURRENT QUARTER	CUMULATIVE QUARTER
	3 MONTHS ENDED	6 MONTHS ENDED
	30/04/2015	30/04/2015
	RM'000	RM'000
Revenue	417,822	575,849
Cost of sales	(315,059)	(433,679)
Gross profit	102,763	142,170
Other items of income	7,879	9,411
Selling and marketing expenses	(35,341)	(54,828)
Administrative expenses	(47,899)	(60,163)
Finance costs	(9,731)	(13,282)
Share of results of a joint venture	(1)	(1)
Profit before tax	17,670	23,307
Income taxation expense	(5,863)	(8,537)
Profit net of tax	11,807	14,770
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Exchange differences on translation of foreign operations	(15)	(118)
Total comprehensive income for the period	11,792	14,652
Profit net of tax attributable to:		
Owners of the Company	11,807	14,866
Non-controlling interests	-	(96)
	11,807	14,770
Total comprehensive income attributable to:		
Owners of the Company	11,792	14,748
Non-controlling interests	-	(96)
	11,792	14,652
Earnings per share attributable to owners of the Company:		
Basic earnings per share (sen)	0.79	1.50
Diluted earnings per share (sen)	- *	- *

* *Anti-dilutive*

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the 13 months ended 31 October 2014 and the accompanying explanatory notes.)

Note:

In 2014, the Company changed its financial year end from 30 September to 31 October and made up its financial statements for the 13-month period ended 31 October 2014.

Consequently, the 2014 quarterly financial reporting periods do not correspond with the 2015 quarterly financial reporting periods, and the 2014 quarterly results do not form an entirely proper basis for comparison with the 2015 quarterly results. The 2014 quarterly results have therefore not been included in this interim financial report as comparative figures.

ECO WORLD DEVELOPMENT GROUP BERHAD

(Company No: 17777-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2015

(The figures have not been audited)

	As At	As At
	30/04/2015	31/10/2014
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	161,798	4,195
Investment properties	11,767	-
Land held for property development	3,827,584	303,052
Deferred tax assets	9,940	147
	<u>4,011,089</u>	<u>307,394</u>
Current assets		
Property development costs	1,240,208	40,250
Gross amount due from customer	5,847	3,962
Inventories	43,369	49,562
Trade and other receivables	455,509	231,971
Current tax assets	15,898	10,295
Deposits	10,388	5,543
Cash and bank balances	206,280	37,880
	<u>1,977,499</u>	<u>379,463</u>
TOTAL ASSETS	<u>5,988,588</u>	<u>686,857</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	985,110	253,317
Share premium	1,230,345	22
Warrants reserve	194,395	-
Foreign currency translation reserve	(124)	(6)
Retained earnings	87,298	72,531
	<u>2,497,024</u>	<u>325,864</u>
Non-controlling interests	-	(3)
Total equity	<u>2,497,024</u>	<u>325,861</u>
Non-current liabilities		
Other payables	736,629	16,659
Long term borrowings	1,250,834	141,354
Deferred tax liabilities	54,776	54,718
	<u>2,042,239</u>	<u>212,731</u>
Current liabilities		
Trade and other payables	936,597	48,944
Amount owing to Development Rights vendors	222,816	-
Short term borrowings	272,913	99,321
Current tax liabilities	16,999	-
	<u>1,449,325</u>	<u>148,265</u>
Total liabilities	<u>3,491,564</u>	<u>360,996</u>
TOTAL EQUITY AND LIABILITIES	<u>5,988,588</u>	<u>686,857</u>
Net assets at RM1.00 per share (RM)	<u>N/A</u>	<u>1.29</u>
Net assets at RM0.50 per share (RM)	<u>1.27</u>	<u>0.64</u> *

* Restated for the effects of subdivision of 1 ordinary share of RM1.00 each into 2 ordinary shares of RM0.50 each pursuant to the share split exercise which was completed on 23 January 2015.

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the 13 months ended 31 October 2014 and the accompanying explanatory notes.)

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 17777-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2015

(The figures have not been audited)

	←————— Attributable to Equity Holders of the Company —————→							Non-controlling interests	Total Equity
	←————— Non-Distributable			—————→ Distributable					
	Share capital RM'000	Share premium RM'000	Warrants reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	RM'000	RM'000	
6 months ended 30 April 2015									
At 1 November 2014	253,317	22	-	(6)	72,531	325,864	(3)	325,861	
Profit for the period	-	-	-	-	14,866	14,866	(96)	14,770	
Other comprehensive income	-	-	-	(118)	-	(118)	-	(118)	
Transactions with owners:									
Acquisition of additional share in subsidiary company	-	-	-	-	(99)	(99)	99	-	
Issuance of ordinary shares:									
- Share subscription	403,423	968,217	-	-	-	1,371,640	-	1,371,640	
- Rights issue with warrants	328,370	265,323	194,395	-	-	788,088	-	788,088	
Share issue expenses	-	(3,217)	-	-	-	(3,217)	-	(3,217)	
At 30 April 2015	985,110	1,230,345	194,395	(124)	87,298	2,497,024	-	2,497,024	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the 13 months ended 31 October 2014 and the accompanying explanatory notes.)

Note:

In 2014, the Company changed its financial year end from 30 September to 31 October and made up its financial statements for the 13-month period ended 31 October 2014.

Consequently, the 2014 quarterly financial reporting periods do not correspond with the 2015 quarterly financial reporting periods, and the 2014 quarterly results do not form an entirely proper basis for comparison with the 2015 quarterly results. The 2014 quarterly results have therefore not been included in this interim financial report as comparative figures.

(Company No: 17777-V)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2015*(The figures have not been audited)*

	CUMULATIVE QUARTER
	6 MONTHS ENDED 30/04/2015 RM'000
Operating activities	
Profit before tax	23,307
Adjustments for :	
Non-cash items	4,615
Non-operating items	8,072
Operating cash flows before changes in working capital	<u>35,994</u>
Changes in property development expenditure	43,140
Changes in gross amount due from customers	(1,886)
Changes in inventories	6,193
Changes in receivables	(76,978)
Changes in payables	<u>71,265</u>
Cash flows generated from operations	77,728
Interest received	1,689
Interest paid	(45,443)
Rental paid	98
Net income taxes paid	<u>(7,319)</u>
Net cash flows from operating activities	<u>26,753</u>
Investing activities	
Additions to land held for property development	(774,708)
Development expenditure paid	(4,060)
Purchase of property, plant and equipment	(46,509)
Acquisition of subsidiary companies, net of cash acquired	(164,322)
Acquisition of Development Rights	(1,596,147)
Deposits paid for acquisition of land	(165,809)
Other investments	(52,033)
Net cash flows used in investing activities	<u>(2,803,588)</u>
Financing activities	
Proceeds from issue of shares by the Company	2,159,728
Payment of share issue expenses	(3,217)
Drawdown of bank borrowings	1,427,865
Repayment of bank borrowings	(689,733)
Net cash flows from financing activities	<u>2,894,643</u>
Net increase in cash and cash equivalents	117,808
Effect of exchange rate changes	15
Cash and cash equivalents at 1 November 2014	<u>43,423</u>
Cash and cash equivalents at 30 April 2015	<u>161,246</u>
Cash and cash equivalents comprise the following:	
Deposits	10,388
Cash and bank balances	<u>206,280</u>
	216,668
Less: Sinking Fund, Debt Service Reserve and Escrow Accounts	<u>(55,422)</u>
	<u>161,246</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the 13 months ended 31 October 2014 and the accompanying explanatory notes.)

Note:

In 2014, the Company changed its financial year end from 30 September to 31 October and made up its financial statements for the 13-month period ended 31 October 2014.

Consequently, the 2014 quarterly financial reporting periods do not correspond with the 2015 quarterly financial reporting periods, and the 2014 quarterly results do not form an entirely proper basis for comparison with the 2015 quarterly results. The 2014 quarterly results have therefore not been included in this interim financial report as comparative figures.

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 13 months ended 31 October 2014.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the 13 months ended 31 October 2014 except for the adoption of the following new/revised Amendments to FRS and Annual Improvements:-

- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle

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.

2. Seasonal or Cyclical Factors

The business operations of the Group during the 6 months ended 30 April 2015 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 6 months ended 30 April 2015.

4. Changes in Estimates

There were no material changes in estimates for the 6 months ended 30 April 2015.

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 6 months ended 30 April 2015 except for the following:

- (a) Subdivision of existing 253,317,000 ordinary shares of RM1.00 each into 506,634,000 ordinary shares of RM0.50 each (“Subdivided Shares”), as announced on 22 January 2015. The Subdivided Shares were listed on Main Market of Bursa Malaysia on 23 January 2015;
- (b) Issuance of 806,846,852 new ordinary shares of RM0.50 each pursuant to the Share Subscription Eco World Development Holdings Sdn Bhd and Sinarmas Harta Sdn Bhd at an issue price of RM1.70 per ordinary shares on 6 February 2015. The total cash consideration arising from the Share Subscription amounted to RM1,371,639,648; and

5. Debts and Equity Securities (continued)

- (c) Issuance of 656,740,426 new ordinary shares of RM0.50 each pursuant to the Renounceable Rights Issue (“Rights Issue Shares”) at an issue price of RM1.20 per ordinary shares together with 525,392,340 free detachable warrants (“Warrants”) (“the Rights Issue Shares with Warrants”). The total cash proceeds arising from the Rights Issue Shares amounted to RM788,088,511. The Rights Issue Shares and Warrants were listed on Main Market of Bursa Malaysia 31 March 2015.

6. Dividends Paid

There were no payment of dividend during the 6 months ended 30 April 2015.

7. Segmental Reporting

No segmental reporting is presented as the Group is primarily engaged in the business of property development in Malaysia.

8. Events after the End of the Interim Financial Period

There were no significant events after 30 April 2015 till 10 June 2015 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report) except as disclosed below in Note 6(a) (ii) on page 10.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the 6 months ended 30 April 2015 except as follows:

- (i) Acquisition of 2 ordinary shares of RM1.00 each in Matlamat Bakat Sdn Bhd and Meridian Insight Sdn Bhd respectively on 4 November 2014, resulting in these two companies becoming wholly-owned subsidiaries of the Company;
- (ii) Acquisition of 2 ordinary shares of RM1.00 each in Jasa Hektar Sdn Bhd, Melia Spring Sdn Bhd and Paragon Pinnacle Sdn Bhd respectively on 22 January 2015, resulting in these three companies becoming wholly-owned subsidiaries of the Company;
- (iii) Subscription of 12 ordinary shares of RM1.00 each in BBCC Development Sdn Bhd (“**BBCC**”) on 28 January 2015, resulting in BBCC becoming a 40% joint venture of the Company.
- (iv) Acquisition of Eco Macalister Development Sdn Bhd (“**EMDSB**”), on 6 February 2015 for a cash consideration of RM2.00, resulting in EMDSB becoming a wholly-owned subsidiary of the Company;
- (v) Acquisition of Eco World Project Management Sdn Bhd (“**EWPMMSB**”), on 6 February 2015 for a cash consideration of RM2.00, resulting in EMPMSB becoming a wholly-owned subsidiary of the Company; and
- (vi) Acquisition of 18 ordinary shares of RM1.00 each in Natural Esplanade Sdn Bhd (“**NESB**”) on 27 March 2015, resulting in NESB becoming a wholly-owned subsidiary of the Company.

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 30/04/2015 RM'000
(i) Approved and contracted for:-	
Commitment to invest in BBCC Development Sdn Bhd ("BBCC Development") – see note 10 (iv), page 10	422,422 *
Commitment to purchase development land	202,798
Commitment to acquire plant and equipment	13,085
	<u>638,305</u>
* Contractual commitment for share subscription in BBCC Development	2,000
Contractual commitment to provide initial advances to BBCC Development	15,000
	<u>17,000</u>
Group's share of BBCC Development's commitment to acquire development rights	405,422
	<u>422,422</u>
(ii) On 21 April 2015, the Company accepted a Letter of Award from the Penang Development Corporation ("PDC") for the proposed development of 449.64 acres of land situated at Bandar Cassia, Batu Kawan, Seberang Perai Selatan, Penang for a total consideration of RM796.3 million of which an initial deposit of RM159.3 million has been paid.	

12. Significant Related Party Transactions

	01/11/2014 to 30/04/2015 RM'000
(i) Related party transactions forming part of the corporate proposals announced on 25 April 2014 completed during the period	
- Acquisition of development rights	1,789,424*
- Acquisition of Eco Macalister Development Sdn Bhd	**
- Acquisition of Eco World Project Management Sdn Bhd	**
- Total reimbursable sum payable	222,816
- Purchase of plant and equipment	10,493
- Interest payable	812
(ii) Other related party transactions	
- Sales of development properties to companies in which certain directors of the Company have interest	30,749
- Sales of development properties to directors of the Company	4,245
- Sales of development property to director of a subsidiary company	1,468
- Rental paid to a company in which a director has interest	120

* After deducting the Group's obligation to repay existing land loans and unpaid land costs totalling RM1,907.6 million.

** Represents RM2.00

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

1. Review of Group Performance

The Group recorded revenue of RM575.8 million and profit before tax (“PBT”) of RM23.3 million in the current period to-date.

On 8 January 2015, the Group’s acquisition of the development rights to 8 projects pursuant to the corporate exercise announced on 25 April 2014 became unconditional. Effective 8 January 2015, the Group started to recognise revenue and PBT from the projects which have commenced active development and sales launches.

Ongoing projects which contributed to the profit and revenue achieved include *Eco Majestic*, *Eco Sky* and *Saujana Glenmarie* in the Klang Valley, *Eco Botanic*, *Eco Spring*, *Eco Summer* and *Eco Business Park 1* and *Eco Tropics* in Iskandar Malaysia.

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

The Group's current quarter revenue and PBT is higher mainly due to results of 3 full months being recognised from the newly acquired projects as compared to only 1 month recognition in the preceding quarter following the unconditional date on 8 January 2015.

3. Prospects for the Current Financial Year

The Board is pleased to announce that the Group achieved RM634.4 million in sales during the second quarter of FY2015. RM331.9 million came from projects in the Klang Valley, whilst the remaining RM302.6 million was contributed by projects in Iskandar Malaysia.

As at 31 May 2015, year-to-date Group sales amounted to RM1.187 billion, with RM622.8 million contributed by projects in the Klang Valley and RM563.8 million coming from Iskandar Malaysia projects.

In the Klang Valley, the Group’s flagship *Eco Majestic* township in Semenyih achieved cumulative sales of more than RM1 billion less than 12 months from its maiden launch in May 2014 and continues to register strong sales on all new phases launched this year. The exceptional performance of this project is set to grow from strength to strength following the opening of the “Red Carpet” Bridge linking *Eco Majestic* to Exit 2102 of the LEKAS Highway.

The Group’s three residential projects and first green business park in Iskandar Malaysia have also performed extremely well. Sales to local homebuyers, business owners, Singapore-based SMEs and MNCs continue unabated with increased interest shown by foreign purchasers as well. In May 2015, the Group announced the opening of its EcoWorld Gallery@Singapore located on St. Martin’s Drive close to Orchard Road. This strategically located sales gallery will enable EcoWorld to better serve its growing Singaporean customer-base whilst also providing it with increased opportunities to reach out to a much wider international audience.

3. Prospects for the Current Financial Year (continued)

On 13 June 2015, the Group concurrently launched four new projects. *Eco Sanctuary*, the Group's first luxury township in the Klang Valley features landed terraced villas, semi-dees and bungalows offering the best in modern eco living. *Eco Terraces*, the Group's maiden launch in Penang offers exclusive low-density apartments nestled within beautifully landscaped parks and waterways set against a naturally occurring waterfall. Down south in Iskandar Malaysia the revised masterplans for *Eco Tropics* and *Eco Business Park III* have also been unveiled.

Excitement for these project launches has been overwhelming, supported by the opening of impressive new sales galleries at each project location to display the overall concepts, detailed masterplans and unique architectural language of individual units. In addition, the Group unveiled a new show village at *Eco Tropics*, Iskandar Malaysia showcasing classic homes inspired by the timeless architecture of the Hamptons resort on Long Island, New York to draw discerning homebuyers to the fast-rising Pasir Gudang growth corridor.

The Group's concerted efforts and significant investments to establish a signature EcoWorld brand identity through its numerous sales galleries and show villages, along with targeted and impactful marketing initiatives undertaken, have borne fruit. Initial take-up rates following the 4-project mega launch over the 13 June week-end are extremely encouraging and the Group will focus on converting these into sales over the next several months.

On the corporate front, the Group on 21st April 2015 announced that it has accepted a Letter of Award ("LOA") from the Penang Development Corporation ("PDC") to develop approximately 450 acres of land in Batu Kawan, Penang, into a mixed development inclusive of an 18-hole golf course. This unique project, which will be called *Eco Marina*, boasts a 2.5km coastline on the north-western boundary and is flanked by a 150 acre golf course on its south-eastern border thus enabling the Group to craft a truly one-of-a-kind gated and guarded landed strata development in Penang.

With 10 ongoing projects, and a strong pipeline of upcoming projects to be launched within the next two years, the Board is confident that the Group is well on track to achieve its RM7 billion sales target over FY2015 & FY2016.

4. Variance of Actual Profit from Forecast Profit

There were no profit forecast published as at 30 April 2015.

5. Income Tax

Income Tax comprises:-

	3 MONTHS ENDED 30/04/2015 RM'000	6 MONTHS ENDED 30/04/2015 RM'000
Current tax		
- for current quarter/cumulative quarters	13,071	18,741
- in respect of prior years	8	8
Deferred tax		
- for current quarter/cumulative quarters	(7,228)	(10,172)
- in respect of prior years	12	(40)
	<u>5,863</u>	<u>8,537</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 which had been completed since the preceding quarter report and those which are not completed as at 10 June 2015, 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 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 Eco Sanctuary Land Acquisition”).

The Eco Sanctuary Land Acquisition was completed on 31 March 2015.

(ii) On 31 March 2015, the Company announced the completion of the Rights Issue Shares with Warrants, following the listing of 656,740,426 Rights Shares and 525,392,340 Warrants on the Main Market of Bursa Securities. Gross proceeds raised under the Rights Issue Shares with Warrants amounted to RM788,088,511.

On 19 May 2015, the Company announced the completion of the Placement following the listing of 394,044,000 Placement Shares on the Main Market of Bursa Securities. Gross proceeds raised under the Placement amounted to RM638,351,280.

(iii) On 2 July 2014, Majestic Blossom Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (“SPA”) with Univas (Far East) Sdn Bhd, for the proposed acquisition of freehold land measuring approximately 492.66 acres in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor for a purchase consideration of RM225,331,550 (“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 the 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 the SPA.

The Proposed Semenyih Land Acquisition was approved by shareholders at the EGM held on 12 December 2014 and as announced on 31 March 2015, the period for fulfillment of the conditions precedent in the SPA has been extended to 2 April 2016.

(iv) On 4 February 2015, the Company entered into a subscription and shareholders’ agreement (“Shareholders’ Agreement”) with UDA Holdings Berhad (“UDA”), the Employees Provident Fund Board (“EPF”) and BBCC Development, whereby the Company, UDA and EPF agree to invest and fund BBCC Development as the vehicle to undertake a joint development of a piece of land into a mixed residential and commercial development comprising, amongst others, a retail mall, an entertainment block, strata offices, office towers, a hotel and serviced residences, to be known as “Bukit Bintang City Centre”; and

6. Status of Corporate Proposals (continued)

- (v) On 21 April 2015, the Company accepted the letter of award from the Penang Development Corporation for the proposed development of 449.64 acres of land situated at Bandar Cassia, Batu Kawan, Seberang Perai Selatan, Penang (“Proposed Eco Marina Development”).

The Proposed Eco Marina Development comprises the following:

- the purchase of 299.64 acres of 99-year leasehold land (“Development Parcel”) for an estimated purchase consideration of RM730.93 million, and
- the lease of approximately 150 acres of land (“Lease Parcel”) for a 30-year period with an option for renewal for a further 30-year period for the development of an international standard golf course with a minimum of 18 holes and a club house (“Golf Course Development”) for an estimated lease consideration of RM65.34 million.

(b) Utilisation of proceeds raised from corporate proposals as at 30 April 2015 are as follows:

- (i) Proceeds totaling RM1,371.6 million were raised under the Share Subscription exercise which was completed on 6 February 2015. The proceeds were fully utilised as part payment of the purchase consideration of the Development Rights Acquisition; and
- (ii) Proceeds totaling RM788.0 million were raised under the Rights Issue Shares with Warrants exercise which was completed on 31 March 2015. The status of the utilisation of these proceeds is as set out below:-

Purpose	Revised proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Intended timeframe for utilisation from completion date
Repayment of bank borrowings to part finance the Development Rights Acquisition	188.8	188.8	-	Fully utilised within 3 months
To part finance the Development Rights Acquisition	317.8	317.8	-	Fully utilised within 3 months
Repayment of short-term borrowings drawn down to finance the EMDSB Repayment Amount and EWPMBSB Repayment Amount	182.1	182.1	-	Fully utilised within 3 months
To part finance the proposed Eco Marina Development *	92.8	92.8	-	Fully utilised within 3 months
Estimated expenses for the Proposals	6.5	3.2	3.3	Within 3 months
Total	788.0	784.7	3.3	

* The RM92.8 million was initially proposed to part finance the Total Reimbursable Sum pursuant to the Development Rights Acquisition. On 21 April 2015, the Company announced the revised proposed utilisation as above

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 30 April 2015 were as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Bank Borrowings	112,913	160,000	272,913
Long Term Bank Borrowings	1,250,834	-	1,250,834
	<u>1,363,747</u>	<u>160,000</u>	<u>1,523,747</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 10 June 2015 (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 or paid in respect of the 6 months ended 30 April 2015.

10. Earnings Per Share Attributable To Owners 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 owners of the Company by the number of shares in issue as follows:-

	3 MONTHS 30/04/2015 '000	6 MONTHS 30/04/2015 '000
Profit for the period attributable to equity holders of the Company (RM)	<u>11,807</u>	<u>14,866</u>
Number of ordinary shares at beginning of the period *	506,634	506,634
Effect of shares issued pursuant to:		
- Share subscription	761,518	374,448
- Rights issue	<u>228,752</u>	<u>112,480</u>
Weighted average number of ordinary shares	<u>1,496,904</u>	<u>993,562</u>
Basic Earnings Per Share (sen)	<u>0.79</u>	<u>1.50</u>

* Adjusted to take into account the effects of subdivision of 1 ordinary share of RM1.00 each into 2 ordinary shares of RM0.50 each pursuant to the share split exercise which was completed on 23 January 2015.

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

The diluted 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 weighted average number of shares that would have been in issue upon full exercise of the Warrants, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

	3 MONTHS 30/04/2015 '000	6 MONTHS 30/04/2015 '000
Profit for the period attributable to equity holders of the Company (RM)	11,807	14,866
Weighted average number of ordinary shares as per basic Earnings Per Share	1,496,904	993,562
Effect of potential exercise of Warrants	-*	-*
Weighted average number of ordinary shares	1,496,904	993,562
Diluted Earnings Per Share (sen)	-*	-*

* *Anti-dilutive*

11. Realised and Unrealised Profits

The breakdown of the Group's retained profits as at 30 April 2015 into realised and unrealised profits pursuant to Bursa Malaysia's directive, is as follows:-

	30/04/2015 RM'000	31/10/2014 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	87,241	61,345
- Unrealised	7,732	2,876
	<u>94,973</u>	<u>64,221</u>
Total share of retained profits from a joint venture:		
- Realised	(1)	-
- Unrealised	-	-
	<u>(1)</u>	<u>-</u>
Consolidation adjustments	(7,674)	8,310
Total Group retained profits as per consolidated accounts	<u>87,298</u>	<u>72,531</u>

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 13-month period ended 31 October 2014 were unqualified.

13. Notes to the Statement of Comprehensive Income

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

	3 MONTHS ENDED 30/04/2015 RM'000	6 MONTHS ENDED 30/04/2015 RM'000
Interest income	3,921	5,079
Other income including investment income	3,958	4,332
Interest expense	(9,731)	(13,282)
Depreciation and amortisation	(3,625)	(4,681)
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	(42)	(63)
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