MAH SING GROUP BERHAD

Company No.: 230149-P

(Incorporated in Malaysia)

Interim Financial Report

31 March 2013

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(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2013

(The figures have not been audited)

	AS AT 31/3/2013 RM'000	(AUDITED) AS AT 31/12/2012 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	**102,103**	101,483
Prepaid lease payments	**7,196**	7,249
Investment properties	**71,363**	71,126
Land held for property development	**419,280**	419,280
Intangible assets	**12,541**	12,541
Deferred tax assets	**58,656**	64,456
	671,139	676,135
Current Assets		
Property development costs	**1,896,901**	1,885,233
Inventories	**37,623**	39,722
Trade and other receivables	**453,521**	398,031
Current tax assets	**7,985**	6,505
Deposits, cash and bank balances	**821,895**	589,460
	3,217,925	2,918,951
TOTAL ASSETS	**3,889,064**	3,595,086
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	**560,381**	419,934
Share premium	**398,853**	140,287
Other reserves	**31,979**	30,889
Retained earnings	**723,636**	653,787
	1,714,849	1,244,897
Non-controlling interests	**10,161**	10,104
Total Equity	**1,725,010**	1,255,001
Non-current Liabilities		
Redeemable convertible bonds	**280,312**	275,785
Term loans	**827,675**	590,400
Long term and deferred payables	**56,428**	57,974
Deferred tax liabilities	**21,701**	21,973
	1,186,116	946,132
Current Liabilities		
Trade and other payables	**899,966**	1,314,428
Term loans	**27,612**	28,675
Short term borrowings	**14,231**	11,305
Bank overdrafts	**-**	519
Current tax liabilities	**36,129**	39,026
	977,938	1,393,953
Total Liabilities	**2,164,054**	2,340,085
TOTAL EQUITY AND LIABILITIES	**3,889,064**	3,595,086
Net assets per share attributable to equity holders of the Company (RM)	**1.53**	1.48

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED INCOME STATEMENT
For the financial period ended 31 March 2013

(The figures have not been audited)

	3 months ended		Period ended	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**423,143**	457,775	**423,143**	457,775
Cost of sales	**(284,352)**	(325,429)	**(284,352)**	(325,429)
Gross profit	**138,791**	132,346	**138,791**	132,346
Other income	**3,686**	4,959	**3,686**	4,959
Selling and marketing expenses	**(21,792)**	(16,923)	**(21,792)**	(16,923)
Administrative expenses	**(32,760)**	(27,437)	**(32,760)**	(27,437)
Other operating expenses	**(1,924)**	(9,542)	**(1,924)**	(9,542)
Interest income	**6,630**	1,253	**6,630**	1,253
Finance costs	**(614)**	(472)	**(614)**	(472)
Profit before taxation	**92,017**	84,184	**92,017**	84,184
Income tax expense	**(22,600)**	(24,207)	**(22,600)**	(24,207)
Profit for the period	**69,417**	59,977	**69,417**	59,977
Profit attributable to:				
Equity holders of the Company	**69,474**	59,920	**69,474**	59,920
Non-controlling interests	**(57)**	57	**(57)**	57
	69,417	59,977	**69,417**	59,977
Earnings per share attributable to equity holders of the Company:				
- Basic (sen) Note B13	**7.89**	7.20	**7.89**	7.20
- Diluted (sen) Note B13	**7.53**	7.10	**7.53**	7.10

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial period ended 31 March 2013
(The figures have not been audited)

	3 months ended		Period ended	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
	RM'000	RM'000	**RM'000**	RM'000
Profit for the period	**69,417**	59,977	**69,417**	59,977
Foreign currency translation difference for foreign operations	**348**	(917)	**348**	(917)
Total comprehensive income for the period	**69,765**	59,060	**69,765**	59,060
Total comprehensive income attributable to:				
Equity holders of the Company	**69,708**	59,351	**69,708**	59,351
Non-controlling interests	**57**	(291)	**57**	(291)
	69,765	59,060	**69,765**	59,060

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

MAH SING GROUP BERHAD (230149-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 31 March 2013
(The figures have not been audited)

	Attributable to equity holders of the Company								
		Non-Distributable				Distributable			
3 months ended 31 March 2013	**Share capital RM'000**	**Share premium RM'000**	**Equity-settled employees benefit reserve RM'000**	**Exchange fluctuation reserve RM'000**	**Other reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total Equity RM'000**
Balance at 1/1/2013	**419,934**	**140,287**	**10,614**	**3,146**	**17,129**	**653,787**	**1,244,897**	**10,104**	**1,255,001**
Amount recognised directly in equity:									
Profit for the financial period	**-**	**-**	**-**	**-**	**-**	**69,474**	**69,474**	**(57)**	**69,417**
Other comprehensive income	**-**	**-**	**-**	**234**	**-**	**-**	**234**	**114**	**348**
Total comprehensive income for the period	**-**	**-**	**-**	**234**	**-**	**69,474**	**69,708**	**57**	**69,765**
Issuance of ordinary shares pursuant to Right Issue	**140,050**	**257,692**	**-**	**-**	**-**	**-**	**397,742**	**-**	**397,742**
Recognition of share-based payment	**-**	**-**	**1,231**	**-**	**-**	**-**	**1,231**	**-**	**1,231**
Issuance of ordinary shares pursuant to ESOS exercised	**397**	**874**	**(234)**	**-**	**-**	**234**	**1,271**	**-**	**1,271**
ESOS lapsed during the period	**-**	**-**	**(141)**	**-**	**-**	**141**	**-**	**-**	**-**
Balance at 31/3/2013	**560,381**	**398,853**	**11,470**	**3,380**	**17,129**	**723,636**	**1,714,849**	**10,161**	**1,725,010**

	Attributable to equity holders of the Company								
		Non-Distributable				Distributable			
3 months ended 31 March 2012	Share capital RM'000	Share premium RM'000	Equity-settled employees benefit reserve RM'000	Exchange fluctuation reserve RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total Equity RM'000
Balance at 1/1/2012	415,936	131,101	8,451	3,768	17,129	496,766	1,073,151	15,338	1,088,489
Amount recognised directly in equity:									
Profit for the financial period	-	-	-	-	-	59,920	59,920	57	59,977
Other comprehensive income	-	-	-	(569)	-	-	(569)	(348)	(917)
Total comprehensive income for the period	-	-	-	(569)	-	59,920	59,351	(291)	59,060
Recognition of share-based payment	-	-	1,450	-	-	-	1,450	-	1,450
Issuance of ordinary shares pursuant to ESOS exercised	728	1,675	(289)	-	-	289	2,403	-	2,403
Balance at 31/3/2012	416,664	132,776	9,612	3,199	17,129	556,975	1,136,355	15,047	1,151,402

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the financial period ended 31 March 2013

(The figures have not been audited)

	3 months ended 31/3/2013 RM'000	3 months ended 31/3/2012 RM'000
Operating Activities		
Profit before taxation	**92,017**	84,184
Adjustments for:		
Non-cash items	**5,639**	5,278
Non-operating items	**(1,758)**	(2,947)
Operating profit before changes in working capital	**95,898**	86,515
Net change in inventories	**2,166**	6,927
Net change in payables	**(107,765)**	107,050
Net change in property development costs	**(7,190)**	2,913
Net change in receivables	**(61,147)**	(169,938)
Cash generated from operations	**(78,038)**	33,467
Interest paid	**(7,577)**	(6,488)
Interest received	**8,410**	1,552
Tax paid	**(21,448)**	(23,775)
Net cash (used in)/generated from operating activities	**(98,653)**	4,756
Investing Activities		
Acquisition of investment in a subsidiary	**-**	(56,758)
Additions to investment properties	**(237)**	(3,094)
Additions to land held for property development	**(302,439)**	-
Payment for acquisition of property, plant and equipment	**(4,128)**	(4,254)
Payment for acquisition of balance of equity in subsidiaries	**-**	(5,000)
Proceeds from disposal of property, plant and equipment	**34**	103
Net cash used in investing activities	**(306,770)**	(69,003)
Financing Activities		
Net proceeds from/ (repayment of) borrowings	**239,523**	(22,308)
Net withdrawal of deposits with licensed banks as collateral/Escrow Account	**37,967**	1,383
Payment of corporate exercise expenses	**(156)**	-
Proceeds from Right Issue	**397,742**	-
Proceeds from ESOS exercised	**1,271**	2,403
Net cash generated/(used in) from financing activities	**676,347**	(18,522)
Net changes in cash and cash equivalents	**270,924**	(82,769)
Effect of exchange rate changes	**(4)**	(259)
Cash and cash equivalents at beginning of financial period	**543,774**	634,215
Cash and cash equivalents at end of financial period	**814,694**	551,187

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
For the financial period ended 31 March 2013 (cont'd)

(The figures have not been audited)

	3 months ended 31/3/2013 RM'000	3 months ended 31/3/2012 RM'000
Cash and cash equivalents at the end of the financial period comprise the following:		
Deposits with licensed banks	**584,534**	414,768
Cash and bank balances	**237,361**	166,388
	821,895	581,156
Less: Deposits pledged as collateral	**(2,961)**	(28,757)
Less: Deposits in Escrow Account	**(4,240)**	(1,212)
	814,694	551,187

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial report.

A Explanatory Notes

A1 Basis of Preparation

The interim financial report has been prepared in accordance with Financial Reporting Standard ("FRS") No. 134 : Interim Financial Reporting and applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial report 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.

The significant accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2012 save for the adoption of the following:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interests in Other Entities
FRS 13	Fair Value Measurement
Amendment to FRS 7	Financial Instruments: Disclosures - Offsetting of Financial Assets and Financial Liabilities
Amendment to FRS 10	Consolidated Financial Statements - Transitional Guidance
Amendment to FRS 11	Joint Arrangements - Transitional Guidance
Amendment to FRS 12	Disclosure of Interests in Other Entities - Transitional Guidance
Amendment to FRS 101	Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income
Amendment to FRS 116	Property, Plant and Equipment (Classification of servicing equipment)
Amendment to FRS 119	Employee Benefits
Amendment to FRS 127	Separate Financial Statements
Amendment to FRS 128	Investment in Asscoaites and Joint Ventures
Amendment to FRS 132	Financial Instruments: Disclosures - Tax effect of distribution to holders of equity instruments
Amendment to FRS 134	Interim Financial Reporting
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendment to IC Interpretation 2	Members' Shares in Cooperative Entities and Similar Instruments (Tax effect of distribution to holders of equity instruments)

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

Malaysian Financial Reporting Standard ("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 and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer (herein called "Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year.

On 30 June 2012, MASB announced that the Transitioning Entities are allowed to extend their deferment on the adoption of MFRS Framework for another year. As such, the MFRS Framework will be mandotory for Transitioning Entities for annual period beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits. The Group is currently reviewing its accounting policies to assess financial effects of the differences between the current FRSs and accounting standards under the MFRS Framework.

A2 Seasonal or cyclical factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

A3 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

A4 Changes in estimates

There were no material changes in estimates for the financial period under review.

A5 Debt and equity securities

During the financial period ended 31 March 2013, the Company increased its issued and paid up ordinary share capital from RM419,933,655 to RM560,380,625 by way of:

a) issuance of 794,136 new ordinary shares of RM0.50 each pursuant to exercise of employees share options and;
b) issuance of 280,099,803 new ordinary shares of RM0.50 each together with 168,059,241 free detachable warrants pursuant to rights issue with warrants.

Save for the above, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares during the current quarter under review.

A6 Dividends paid

No dividend was paid in the current financial period under review.

A7 Segment reporting

Period ended 31 March 2013

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	355,962	58,821	8,360	-	423,143
Inter-segment	-	-	9,658	(9,658)	-
Total revenue	355,962	58,821	18,018	(9,658)	423,143
RESULTS					
Operating profit	82,956	3,707	8,283	(8,945)	86,001
Interest income					6,630
Finance costs					(614)
Income tax					(22,600)
Profit for the year					69,417
OTHER INFORMATION					
Capital expenditure	1,212	2,827	90	-	4,129
Depreciation and amortisation	1,025	2,873	45	-	3,943
Assets and Liabilities					
Segment assets	3,066,977	174,083	581,363	-	3,822,423
Current and deferred tax assets					66,641
Total assets					3,889,064
Segment liabilities	1,740,019	74,680	291,525	-	2,106,224
Current and deferred tax liabilities					57,830
Total liabilities					2,164,054

Period ended 31 March 2012

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	405,759	49,851	2,165	-	457,775
Inter-segment	-	-	10,330	(10,330)	-
Total revenue	405,759	49,851	12,495	(10,330)	457,775
RESULTS					
Operating profit	87,977	3,390	2,281	(10,245)	83,403
Interest income					1,253
Finance costs					(472)
Income tax					(24,207)
Profit for the year					59,977
OTHER INFORMATION					
Capital expenditure	900	3,377	22	-	4,299
Depreciation and amortisation	642	2,278	33	-	2,953
Assets and Liabilities					
Segment assets	2,465,889	145,953	399,699	-	3,011,541
Current and deferred tax assets					35,583
Total assets					3,047,124
Segment liabilities	1,496,724	60,016	281,618	-	1,838,358
Current and deferred tax liabilities					57,364
Total liabilities					1,895,722

A8 Material subsequent events

Save as disclosed in B6, there were no material events subsequent to the balance sheet date up to 21 May 2013, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

A9 Significant Related Party Transactions

Transactions with directors of the Company and subsidiary companies and companies in which they have interests:

		01/1/2013 to 31/3/2013 RM'000
(i)	Rental paid to a Company in which a Director has interest	368
(ii)	Maintenance services rendered from a Company in which the Directors are family members of a Director of the Company	26
(iii)	Sales of development property to a Director of the Company and/or the subsidiaries of the Company and/or their family member	1,666

A10 Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial quarter, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructuring, and discontinuing operations.

A11 Changes in contingent liabilities or contingent assets

There were no contingent assets. Contingent liabilities of the Group are as follows:

	31/3/2013	31/12/2012
	RM'000	RM'000
Bank guarantees issued in favour of third parties	**7,006**	8,241
Corporate guarantee issued in favour of third parties	**6,000**	6,000
Others	**715**	707
	13,721	14,948

A12 Capital Commitments

	31/3/2013
	RM'000
Commitment for acquisition of property, plant and equipment	
- Approved and contracted for	**8,292**

A13 Operating Lease Commitments

As Lessee - for the lease of commercial buildings

The future operating lease commitments for rental of commercial buildings (net of lease rentals receivable from sublease) contracted for as at balance sheet date but not recognised as liabilities are as follows:

	Lease rentals payable		**Lease rentals receivable**		**Net**	
	31/3/2013	31/12/2012	**31/3/2013**	31/12/2012	**31/3/2013**	31/12/2012
	RM'000	RM'000	**RM'000**	RM'000	**RM'000**	RM'000
Less than one year	**6,250**	10,000	**(3,182)**	(4,972)	**3,068**	5,028
	6,250	10,000	**(3,182)**	(4,972)	**3,068**	5,028
				Provision	**(3,064)**	(4,889)
					4	139

The operating lease commitments is in respect of leaseback of commercial building sold en-bloc ie the Corporate Building Block of ***Southgate Commercial Centre*** from the purchasers at 8% per annum of the building's sale consideration. The lease is for a period of 2 years from the commencement date as set out in the leaseback agreements. Leaseback for the Corporate Building Block of Southgate Commercial Centre has commenced since September 2011 and shall expire by August 2013. Leaseback for ***The Icon, Jalan Tun Razak*** had fully expired with its West Wing and East Wing expired on October 2012 and December 2012 respectively.

During the financial period, the Group has recognised in the income statement leaseback rental amounting to RM1.9 million (2012: RM8.3 million) and rental income from sub-lease amounting to RM1.9 million (2012: RM3.8 million). No further provision was made by the Group for future lease commitments based on assessment of expected net outflows during the period under review (2012: RM1.2 million).

As Lessor - for the lease of investment properties

The Group leases out its investment properties. The future minimum lease receivable under non-cancellable leases are as follow:-

	Lease rentals receivable
	31/3/2013
	RM'000
Less than one year	316
One to two years	30
	346

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Group performance

The Group achieved revenue and net profit of RM423.1 million and RM69.5 million respectively for the first quarter ended 31 March 2013. Revenue declined by 7.6%, and net profit improved by 15.9% compared to same quarter last year.

Basic earnings per share were up 9.6% to 7.89 sen.

Balance sheets strengthened with cash and bank balances at RM821.9 million and net gearing at 0.19.

Property development

The quarter's revenue from property development declined by 12% to RM356.0 million year-on-year due to contribution from mostly high-rise projects that were at early stages of construction. With property sales for the quarter at RM749.6 million, the Group is on track to achieve full year sales target of RM3.0 billion for 2013, supported by strong pipeline of upcoming project launches.

Projects which contributed to revenue and profit include ***M-Suites*** and ***M-City*** in Jalan Ampang, ***Icon City*** in Petaling Jaya, ***Icon Residence*** in Mont' Kiara, ***M Residence*** in Rawang, ***Garden Residence***, ***Clover @ Garden Residence*** and ***Garden Plaza*** in Cyberjaya, ***Kinrara Residence*** in Puchong, ***Aman Perdana*** in Meru - Shah Alam, ***One Legenda, Hijauan Residence*** and ***Bayu Sekamat*** in Cheras and ***Perdana Residence 2*** in Selayang. Commercial projects are ***Star Avenue @ D'sara***, ***StarParc Point*** in Setapak and industrial projects ***i-Parc 1, i-Parc 3*** in Bukit Jelutong and ***i-Parc 2*** in Shah Alam. In addition to ***Sierra Perdana***, ***Sri Pulai Perdana 2*** and ***Austin Perdana***, new projects namely ***The Meridin @ Medini*** and ***Mah Sing i-Parc @ Tanjung Pelepas*** in Iskandar Malaysia are expected to further boost contribution from Johor Bahru in the coming quarters. Projects in Penang Island, ***Legenda @ Southbay***, ***Southbay City*** and ***Ferringhi Residence*** will continue to contribute positively to the Group's performance. Contribution from ***Sutera Avenue*** in Kota Kinabalu, Sabah is expected in the coming quarters.

Operating profit margin for the property segment improved 7.4% to 23.3% due mainly to property product mix and higher profit recognition from properties handed over.

Further to the proposed acquisition of ***D'sara Sentral*** land acquisition with potential GDV of RM800 million announced in April 2013, the Group announced today two proposed land acquisitions ie ***Meridin@ Senibong***, a 35.26 acres of freehold land adjacent to Senibong Cove within Iskandar Malaysia with potential GDV amounting to RM4.35 billion and ***Lakeville Residence***, a 12.38 acres of prime land in Kuala Lumpur with potential GDV amounting to RM1.15 billion. With systematic planning and timing of project launches to ensure continuity of cashflow and liquidity, the Group is able to continue to grow and tap on landbanking opportunities when they arise. Out of its portfolio of 43 projects, 10 are completed and 3 are already at the tail-end due to its efficient execution and speed to market, whilst 22 at the infancy or various growth phases, and 8 projects (including these 2 new lands) are at planning.

Pre-sales for some of the projects have consistently surpassed the cashflow breakeven take-up rate of 60%. At the moment the unbilled locked in sales have reached unprecedented highs of RM3.55 billion and the Group's remaining landbanks have further grown to 1,382 acres with approximately RM26.4 billion remaining GDV and unbilled sales.

Furthermore the Group has strong support from bankers that have been consistently supporting the Group because of the Group's execution ability.

Plastics

Plastics segment continued to contribute positively to group revenue and profit. While revenue grew by 18% to RM58.8 million, profit margin was affected by foreign exchange difference and higher staff costs as a result of minimum wage ruling in Indonesia.

Investment holding & Others

Revenue and profit for the segment comprise mainly interest income from funds placement.

B2 Material change in quarterly results compared with the immediate preceding quarter

The Group's current quarter profit before taxation of RM92.0 million was 27.3% higher than the immediate preceding quarter due mainly to better property product mix, higher profit recognition from properties handed over and lower sales and marketing expenses.

B3 Prospects for the current financial year

The Group further strengthened its balance sheets with the successful completion of the Rights issue with Warrants that raised approximately RM397.7 million during the quarter. In the immediate term, the Group will focus its growth and continue to expand its landbank in the four markets that it knows well and has proven track record ie Klang Valley; Iskandar Malaysia in Johor Bahru; Penang and Kota Kinabalu, Sabah.

The favourable demographic condition, stable employment market, coupled with low interest rate environment and supply demand gap will continue to lend support to the property market. Thematic development and major infrastructure projects in the key markets the Group operates in provide further growth opportunities. Armed with strong balance sheets, established branding for well-designed lifestyle properties, as well as quality portfolio of projects at various development cycles, the Group is well placed to take advantage of these exciting opportunities in the local property market.

Other than release of new phases of products at on-going projects, the Group has lined up maiden launches at its new projects to drive sales momentum going forward. These include ***Southville City@KL South***, ***M Residence 2@Rawang***, ***Star Residence*** in Subang, and ***Meridin@Medini***, Iskandar Malaysia. The number of registrants for ***Southville City @ KL South*** is close to 13,000, and the previews conducted for ***M Residence 2@Rawang*** as well as ***Meridin@Medini*** in Iskandar Malaysia received overwhelming response**.**

The Group is confident of its prospect and expects a solid performance for the current financial year.

B4 Profit forecast

Not applicable as the Group has not issued profit forecast or profit guarantee in a public document.

B5 Income tax expense

	3 months ended		**Period ended**	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
	RM'000	RM'000	**RM'000**	RM'000
Current tax:				
Malaysian income tax	**16,917**	24,690	**16,917**	24,690
Foreign tax	**154**	278	**154**	278
	17,071	24,968	**17,071**	24,968
Deferred taxation:				
Malaysian deferred tax	**5,529**	(761)	**5,529**	(761)
	22,600	24,207	**22,600**	24,207

The Group's effective tax rate for the current quarter is lower than the statutory tax rate of 25% due to the utilisation of deferred tax assets not previously recognised, to offset against taxable profits.

B6 Status of corporate proposals

The following corporate proposals announced by the Company have not been completed as at 21 May 2013 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report):

1) On 5 July 2010, the Company's wholly-owned subsidiary, Grand Prestige Development Sdn Bhd ("Grand Prestige") entered into a Joint Venture Agreement ("JVA") with Medan Damai Sdn Bhd ("Medan Damai") for the joint development of a piece of residential land in Kinrara with total gross area measuring approximately 13.2 acres (net aggregate area of 7.59 acres) in Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan ("Kinrara Land"). Under the terms of the JVA, Medan Damai shall grant Grand Prestige the exclusive rights to continue with the sales and development of the Kinrara Land and in return for an entitlement sum of RM35,403,863.85.

2) On 26 March 2012, the Company's wholly-owned subsidiary, Capitol Avenue Development Sdn Bhd ("Capitol Avenue") entered into a Joint Development Agreement ("Agreement") with Paduan Hebat Sdn Bhd ("Paduan Hebat") for the proposed joint development of a parcel of prime leasehold commercial land measuring approximately 4.26 acres ("Land") in Kota Kinabalu, Negeri Sabah. Under the terms of the Agreement, Paduan Hebat agrees with Capitol Avenue to jointly develop the Land for an entitlement of RM39 million or approximately RM210 per square foot.

   On 4 December 2012, all Paduan Hebat's obligation have been fully performed pursuant to the Agreement.

3) On 18 October 2012, the Company's wholly-owned subsidiary, Tropika Istimewa Development Sdn Bhd entered into a Lease Purchase Agreement ("LPA") with Medini Land Sdn Bhd to acquire the lease over two (2) parcels of contingious prime land in Medini, Iskandar Malaysia, all in Mukim Pulai, Daerah Johor Bahru, State of Johor with agreed gross floor area of 2,140,538.40 square feet for a total lease consideration of RM74,717,596.80 or approximately RM34.906 per square foot gross floor area.

   The conditions precedent of the LPA has been fulfilled on 18 October 2012.

4) Through an announcement on 10 December 2012 and subsequent annoucements, the Company is undertaking the following proposals ("Proposals"):

   (a) Renounceable rights issue of up to 280,099,803 new ordinary shares of RM0.50 each in the Company ("Rights Shares") together with up to 168,059,881 free detachable warrants ("Warrants") on the basis of 1 Rights Share for every 3 existing ordinary shares of RM0.50 sen each ("Mah Sing Shares") held and 3 Warrants for every 5 Rights Shares subscribed for by the entitled shareholders at an issue price of RM1.42 per Right Share ("Right Issue With Warrants");

   (b) Bonus issue of new Mah Sing Shares ("Bonus Shares") to be credited as fully paid-up on the basis of 1 Bonus Share for every 5 Mah Sing Shares held after the Rights Issue with Warrants; and

   (c) Exemption for Mayang Teratai Sdn Bhd ("Mayang Teratai") and persons acting in concert with it from the obligation to carry out a mandatory offer on the remaining voting shares in the Company not held by Mayang Teratai and persons acting in concert with it after the Rights Issue with Warrants.

   At an extraordinary general meeting held on 5 February 2013, the shareholders of the Company had approved the Proposals and the Proposals had become unconditional on 7 February 2013.

The Renounceable rights issue of up to 280,099,803 new ordinary shares of RM0.50 each in the Company ("Rights Shares") together with up to 168,059,881 free detachable warrants ("Warrants") ("Rights Issue With Warrants") has been completed on 22 March 2013.

The total gross proceeds raised by the Company from the Rights Issue amounted to RM397,741,720. The status of the utilisation of proceeds as at 21 May 2013 is as follow:

Details of utilisation	**Approved utilisation RM'000**	**Actual utilisation RM'000**	**Balance unutilised RM'000**	**Timeframe for utilisation RM'000**
Property development expenditure and future land acquisition	350,000	(39,488)	310,512	Within 24 months
General working capital	42,742	(12,274)	30,468	Within 12 months
Estimated expenses in relation to the Proposals	5,000	(3,849)	1,151	Within 6 months
Total	397,742	(55,611)	342,131	

5) On 3 April 2013, the Company's wholly-owned subsidiary, Intramewah Development Sdn Bhd entered into a Sale and Purchase Agreement ("SPA") with Pulangan Elit Sdn Bhd for the proposed acquisition of all that piece of prime land measuring approximately 6.54878 acres net in Seksyen U19, Daerah Petaling for cash consideration of RM85,000,000 or approximately RM297.97 per square foot ("Proposed Acquisition").

B7 Group borrowings

Total group borrowings as at 31 March 2013 were as follows:

	Secured RM'000	Secured RM'000	Secured RM'000	Total RM'000
(Denominated in)	***(RM)***	***(Indonesian Rupiah)***	***(USD)***	
Redeemable convertible bonds				
- after 12 months	280,312	-	-	280,312
Term loans payable				
- within 12 months	23,582	4,030	-	27,612
- after 12 months	818,306	9,369	-	827,675
	841,888	13,399	-	855,287
Short term borrowings	8,820	2,550	2,861	14,231
Finance lease and hire purchase				
- within 12 months	1,447	-	-	1,447
- after 12 months	2,770	-	-	2,770
	4,217	-	-	4,217
Total	1,135,237	15,949	2,861	1,154,047

B8 Material litigation

The Group is not engaged in any material litigation as at 21 May 2013, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

B9 Derivatives Financial Instrument

The Group's outstanding derivatives financial instrument as at 31 March 2013 were analysed as follows:

	Notional Value RM'000	Fair Value Asset/ (Liability) RM'000
Foreign currency forward contracts		
- Less than one year	300	(14)

Foreign currency forward contracts were entered into by a subsidiary within the Plastics Division of the Group to manage its exposure against adverse fluctuations in foreign currency risks as a results of transactions denominated in currencies other than the functional currency of the subsidiary.

These derivatives are stated at fair value, using the prevailing market rates and any changes in fair value of these derivatives during the period are taken directly to the income statement.

B10 Realised and unrealised earnings or losses disclosure

The retained earnings as at 31 March 2013 and 31 December 2012 were analysed as follows:

	31/3/2013 RM'000	31/12/2012 RM'000
Total retained earnings of the Group		
- Realised	**680,135**	616,308
- Unrealised	**53,797**	60,464
	733,932	676,772
Total share of accumulated losses from associated company		
- Realised	**(73)**	(73)
	733,859	676,699
Less: Consolidation adjustments	**(10,223)**	(22,912)
Total group retained earnings as per consolidated accounts	**723,636**	653,787

B11 Additional disclosures pursuant to para 16, Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

	3 months ended		Period ended	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
	RM'000	RM'000	**RM'000**	RM'000
Allowance for slow-moving and impairment for inventories	**(84)**	(25)	**(84)**	(25)
Depreciation and amortisation	**(3,943)**	(2,953)	**(3,943)**	(2,953)
Net gain on foreign exchange forward contracts	**30**	-	**30**	-
Net foreign exchange gain	**33**	(3,752)	**33**	(3,752)
Reversal of allowance for slow moving inventories	**19**	-	**19**	-
Reversal of impairment of property, plant and equipment	**1**	1	**1**	1

Other than the items above which have been included in the income statement, there were no allowance for doubtful debts; gain/(loss) on disposal of quoted or unquoted investments and exceptional items affecting the results for the current financial period ended 31 March 2013.

B12 Dividend proposed

No dividend has been proposed for the first quarter ended 31 March 2013.

In respect of the previous financial year ended 31 December 2012:

i) The Board of Directors has proposed first and final dividend of 7.6 sen per ordinary share of RM0.50 each consisting of 0.4 sen per share less income tax of 25% and single-tier dividend of 7.2 sen per share (2011: 11.0 sen per ordinary share of RM0.50 each, less income tax of 25%) in respect of the financial year ended 31 December 2012, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

ii) The date payable of the dividend will be determined at a later date.

iii) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.

B13 Earnings per share ("EPS")

(a) Basic EPS

The basic earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	3 months ended		Period ended	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
Net profit for the period (RM'000)	**69,474**	59,920	**69,474**	59,920
Weighted average number of ordinary shares in issue ('000)	**880,666**	832,204	**880,666**	832,204
Basic EPS (sen)	**7.89**	7.20	**7.89**	7.20

(b) Diluted EPS

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares that would have been in issue assuming full exercise of the remaining options under the ESOS and conversion of bonds, adjusted for the number of such ordinary shares that would have been issued at fair value.

	3 months ended		**Period ended**	
	31/3/2013	31/3/2012	**31/3/2013**	31/3/2012
Net profit for the period (RM'000)	**69,474**	59,920	**69,474**	59,920
Weighted average number of ordinary shares in issue ('000)	**880,666**	832,204	**880,666**	832,204
Weighted average number of ordinary shares shares deemed issued at no consideration ('000)				
ESOS	**15,446**	10,560	**15,446**	10,560
Bonds conversion	**26,000**	1,717	**26,000**	1,717
Warrants[1]	**n/a**	-	**n/a**	-
Adjusted weighted average number of ordinary shares ('000)	**922,112**	844,481	**922,112**	844,481
Diluted EPS (sen)	**7.53**	7.10	**7.53**	7.10

[1] The effects of potential ordinary shares arising from the conversion of warrants is anti-dilutive and accordingly is excluded in the Diluted EPS computation above.

B14 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 was not subject to any qualification.

B15 Comparative figures

Comparative figures, where applicable, have been modified to conform to the current year presentation.

BY ORDER OF THE BOARD

YANG BAO LING
KUAN HUI FANG

Kuala Lumpur
28 May 2013