

**CREST BUILDER HOLDINGS BERHAD** (573382-P)

**UNAUDITED INTERIM FINANCIAL REPORT FOR  
THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

# ***CONTENTS***

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## **INTERIM REPORT**

### **UNAUDITED INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

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**CREST BUILDER HOLDINGS BERHAD** (573382-P)  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year Quarter 31-12-2013 RM'000	Preceding Year Quarter 31-12-2012 RM'000 (Restated)	Current Year To Date 31-12-2013 RM'000	Preceding Year To Date 31-12-2012 RM'000 (Restated)
Revenue	58,706	138,541	223,404	485,067
Cost of Sales	<u>(41,452)</u>	<u>(130,710)</u>	<u>(186,710)</u>	<u>(448,353)</u>
Gross Profit	17,254	7,831	36,694	36,714
Other Operating Income	<u>7,733</u>	<u>21,159</u>	<u>65,592</u>	<u>24,670</u>
	24,987	28,990	102,286	61,384
Administration Costs	<u>(8,558)</u>	<u>(4,653)</u>	<u>(21,633)</u>	<u>(14,600)</u>
	16,429	24,337	80,653	46,784
Finance Costs	<u>4,888</u>	<u>(5,822)</u>	<u>(19,452)</u>	<u>(18,660)</u>
Profit Before Tax	21,317	18,515	61,201	28,124
Taxation	<u>415</u>	<u>(1,542)</u>	<u>(2,418)</u>	<u>(6,894)</u>
Profit of the period	21,732	16,973	58,783	21,230
Other Comprehensive Income, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income for the period, net of tax	<u>21,732</u>	<u>16,973</u>	<u>58,783</u>	<u>21,230</u>
Total Comprehensive Income attributable to:				
Equity holders of the Company	14,062	16,758	50,711	21,585
Non-controlling Interests	<u>7,670</u>	<u>215</u>	<u>8,072</u>	<u>(355)</u>
	<u>21,732</u>	<u>16,973</u>	<u>58,783</u>	<u>21,230</u>
Earnings Per Share (sen)				
- Basic	<u>8.8</u>	<u>12.3</u>	<u>33.9</u>	<u>16.6</u>
- Diluted	<u>8.1</u>	<u>12.3</u> *	<u>32.2</u>	<u>16.6</u> *

\* The calculation for Diluted EPS is not applicable for the previous period ended 31 December 2012 as it has an anti-dilution effect.

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 quarterly report.

**CREST BUILDER HOLDINGS BERHAD** <sup>(573382-P)</sup>  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2013**

	As at 31-12-2013 RM'000	As at 31-12-2012 RM'000 (Restated)	As at 01-01-2012 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9,602	13,128	17,988
Investment properties	249,200	168,449	117,412
Other investments	54	54	54
Intangible assets	33,604	33,604	33,604
Land held for property developments	-	-	10,978
Operating financial asset	349,578	264,546	50,475
Deferred tax asset	9,747	1,880	1,097
Trade receivables	9,091	27,888	-
	<u>660,876</u>	<u>509,549</u>	<u>231,608</u>
<b>Current assets</b>			
Property development costs	114,958	73,814	53,428
Inventories	7,507	6,074	2,015
Trade and other receivables	190,982	207,140	163,566
Amounts due from contract customers	56,992	79,017	157,799
Tax recoverable	2,437	1,336	1,386
Cash and bank balances	12,620	24,747	16,718
	<u>385,496</u>	<u>392,128</u>	<u>394,912</u>
<b>TOTAL ASSETS</b>	<u>1,046,372</u>	<u>901,677</u>	<u>626,520</u>
<b>EQUITY AND LIABILITIES</b>			
Share capital	160,867	138,010	124,089
Share premium	3,355	-	-
Treasury shares	(938)	(594)	(181)
Reserves	203,889	162,112	145,521
Equity Attributable to Equity Holders of the Company	<u>367,173</u>	<u>299,528</u>	<u>269,429</u>
Non-controlling interests	7,259	(813)	(556)
<b>Total equity</b>	<u>374,432</u>	<u>298,715</u>	<u>268,873</u>
<b>Non-current liabilities</b>			
Hire purchase payables	470	493	2,061
Deferred tax liabilities	286	305	634
Loans	353,287	265,069	154,834
Trade payables	19,674	26,075	21,110
	<u>373,717</u>	<u>291,942</u>	<u>178,639</u>
<b>Current liabilities</b>			
Trade and other payables	171,996	237,902	110,692
Amounts due to contract customers	1,098	1,592	5,387
Hire purchase payables	379	1,511	3,272
Other bank borrowings	122,130	69,283	58,341
Provision for taxation	2,620	732	1,316
	<u>298,223</u>	<u>311,020</u>	<u>179,008</u>
<b>Total liabilities</b>	<u>671,940</u>	<u>602,962</u>	<u>357,647</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,046,372</u>	<u>901,677</u>	<u>626,520</u>
Net assets per share attributable to equity holders of the Company (RM)	<u>2.30</u>	<u>2.18</u>	<u>2.18</u>

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 quarterly report.

**CREST BUILDER HOLDINGS BERHAD (572382-P)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

	← ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY →											
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	NON-DISTRIBUTABLE			DISTRIBUTABLE			Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
				Capital Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000	Capital Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000			
At 1 January 2012	124,089	-	(181)	4,074	296	139,254	267,532	(556)	266,976			
- As previously stated	-	-	-	-	-	1,897	1,897	-	1,897			
- Prior year adjustment	124,089	-	(181)	4,074	296	141,151	269,429	(556)	268,873			
- As restated	-	-	-	-	-	21,585	21,585	(355)	21,230			
Total comprehensive income for the period	124,089	-	(181)	4,074	296	162,736	291,014	(911)	290,103			
Issuance of shares	11,300	-	-	-	-	-	11,300	-	11,300			
Exercise of ESOS	2,621	-	-	346	(346)	-	2,621	-	2,621			
Options granted under ESOS	-	-	-	-	74	-	74	-	74			
Purchase of treasury shares	-	-	(413)	-	-	-	(413)	-	(413)			
Acquisition of subsidiary companies	-	-	-	-	-	-	-	-	-	98	98	
Dividend	-	-	-	-	-	(5,068)	(5,068)	-	(5,068)	-	(5,068)	
At 31 December 2012	138,010	-	(594)	4,420	24	157,668	299,528	(813)	298,715			
At 1 January 2013	138,010	-	(594)	4,420	24	174,115	315,975	(813)	315,162			
- As previously stated	-	-	-	-	-	(16,447)	(16,447)	-	(16,447)			
- Prior year adjustment	138,010	-	(594)	4,420	24	157,668	299,528	(813)	298,715			
- As restated	-	-	-	-	-	50,711	50,711	8,072	58,783			
Total comprehensive income for the period	138,010	-	(594)	4,420	24	208,379	350,239	7,259	357,498			
Issuance of shares	20,002	3,355	-	(4,025)	-	670	20,002	-	20,002			
Exercise of Warrants 2003/2013	2,855	-	-	380	73	-	3,308	-	3,308			
Exercise of ESOS	-	-	-	-	(96)	-	(96)	-	(96)			
Options granted under ESOS	-	-	-	-	-	-	(344)	-	(344)			
Purchase of treasury shares	-	-	(344)	-	-	-	(344)	-	(344)			
Dividend	-	-	-	-	-	(5,936)	(5,936)	-	(5,936)			
At 31 December 2013	160,867	3,355	(938)	775	1	203,113	367,173	7,259	374,432			

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 quarterly report.

**CREST BUILDER HOLDINGS BERHAD** (573382-P)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

	<b>12 Months Ended 31-12-2013 RM'000</b>	<b>12 Months Ended 31-12-2012 RM'000 (Restated)</b>
Profit before taxation	61,201	28,124
Adjustments for :-		
Depreciation	3,267	3,815
Gain on disposal of property, plant and equipment	(702)	(1,318)
Interest expense	19,452	18,660
Interest income	(484)	(378)
Change in fair value of investment property	(60,916)	(20,020)
Share options expenses	358	74
Effect of FRS 139 on trade payables	(52)	-
Effect of unwinding of interest from the discounting of trade payables	251	-
Effect of unwinding of interest from the discounting of trade receivables	(252)	-
Short-term accumulating compensated absences	(60)	(27)
Operating profit before working capital changes	<u>22,063</u>	<u>28,930</u>
Net change in current assets	<u>(32,121)</u>	<u>(178,809)</u>
Net change in current liabilities	<u>(109,316)</u>	<u>87,096</u>
	<u>(141,437)</u>	<u>(91,713)</u>
Income tax paid	<u>(119,374)</u>	<u>(62,783)</u>
Net cash use in operating activities	<u>(9,517)</u>	<u>(8,538)</u>
	<u>(128,891)</u>	<u>(71,321)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>484</u>	<u>378</u>
Proceeds from disposal of property, plant and equipment	<u>913</u>	<u>3,098</u>
Increase in investment properties	<u>(19,835)</u>	<u>(31,018)</u>
Purchase of treasury shares	<u>(344)</u>	<u>(413)</u>
Purchase of property, plant and equipment	<u>(1,322)</u>	<u>(735)</u>
Net cash used in investing activities	<u>(20,104)</u>	<u>(28,690)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	<u>(19,452)</u>	<u>(18,660)</u>
Dividend paid	<u>(5,936)</u>	<u>(5,068)</u>
Loan raised	<u>158,442</u>	<u>144,837</u>
Proceeds from:		
- issuance of ordinary shares	<u>-</u>	<u>11,300</u>
- exercise of Warrants 2003/2013	<u>20,002</u>	<u>-</u>
- exercise of ESOS	<u>2,855</u>	<u>2,621</u>
Repayment of loans	<u>(40,681)</u>	<u>(11,691)</u>
Repayment of hire purchase creditors	<u>(1,665)</u>	<u>(3,329)</u>
Net cash from financing activities	<u>113,565</u>	<u>120,010</u>
Net increase in cash and cash equivalents	<u>(35,430)</u>	<u>19,999</u>
Cash and cash equivalents brought forward	<u>15,181</u>	<u>(4,817)</u>
Cash and cash equivalents carried forward	<u>(20,249)</u>	<u>15,182</u>
<b>Note:</b>		
Cash and bank balances	<u>2,919</u>	<u>5,267</u>
Fixed deposit with licensed banks	<u>9,701</u>	<u>19,480</u>
	<u>12,620</u>	<u>24,747</u>
Less: Bank overdraft	<u>(32,846)</u>	<u>(9,542)</u>
Fixed deposit pledged	<u>(23)</u>	<u>(23)</u>
Cash and cash equivalents	<u>(20,249)</u>	<u>15,182</u>

The condensed consolidated statement of cash flows 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 quarterly report.

**CREST BUILDER HOLDINGS BERHAD** (573382-P)  
**INTERIM FINANCIAL REPORT**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013**

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**PART A: EXPLANATORY NOTES PURSUANT TO PARAGRAPH 16, FRS134  
INTERIM FINANCIAL REPORTING**

**A1. BASIS OF PREPARATION**

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in the Financial Reporting Standards (“FRS”) No. 134 – “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements, and should be read in conjunction with the Group’s audited statutory financial statements presented in the Annual Report for the financial year ended 31 December 2012.

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2012, except for the adoption of the FRSS, Amendments to FRSS and Interpretations with effect from 1 July 2012 and 1 January 2013.

The adoption of FRSS, Amendments to FRSS and Issues Committee (“IC”) Interpretations, which are commencing from 1 July 2012 and 1 January 2013 does not have significant impact to the Group.

The following new FRSS and Interpretations were issued but not yet effective and have not been applied by the Group:-

<b>FRSS and IC Interpretations</b>		<b>Effective for financial periods beginning on or aft</b>
Amendments to FRS 10, 12 & 127	Investment Entities	1 January 2014
Amendments to FRS 132	Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
Amendments to FRS 119 <sub>(IFRS 9(2011))</sub>	Defined Benefit Plans: Employee Contributions	1 July 2014
IC Int. 21	Levies	1 January 2014
FRS 9 <sub>(IFRS 9(2009))</sub>	Financial Instruments (IFRS 9 issued by IASB in November 2009)	1 January 2015
FRS 9 <sub>(IFRS 9(2010))</sub>	Financial Instruments (IFRS 9 issued by IASB in October 2010)	1 January 2015

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**A1. BASIS OF PREPARATION (CONT'D)**

The adoption of the abovementioned FRSs and Interpretations upon their effective dates are not expected to have any significant impact to the Group.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs Framework") which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Int. 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer ("Transitioning Entities").

The Group qualify as Transitioning Entities, which allowed the Group to defer the adoption of the new MFRSs. Consequently, the adoption of MFRSs by Transitioning Entities for the Group will be on or after 1 January 2015.

During the financial year, the directors noted that certain transactions that linked in such a way that the commercial effect cannot be understood without reference to the series of transactions as a whole shall be dealt with together and unrealised profits was not eliminated at the Group level to reflect the economic substance of these transactions. Accordingly, the revenue, cost of sales, investment property and property development costs in relation to the said transactions were restated to correct the errors made in the previous financial years.

**Statement of comprehensive income**

	<b>As restated</b>	<b>As per</b>
	<b>31/12/2012</b>	<b>audited</b>
	<b>RM'000</b>	<b>report</b>
	<b>31/12/2012</b>	<b>31/12/2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	485,067	565,717
Cost of Sales	(448,353)	(509,641)
Gross Profit	36,714	56,076
Other Operating Income	24,670	24,670
	61,384	80,746
Administration Costs	(14,600)	(14,600)
	46,784	66,146
Finance Costs	(18,660)	(18,660)
Profit Before Tax	28,124	47,486
Taxation	(6,894)	(7,911)
Profit of the period	21,230	39,575



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	As restated 30/9/2013 RM'000	As previously reported 30/9/2013 RM'000	As restated 30/9/2012 RM'000	As previously reported 30/9/2012 RM'000
Revenue	164,698	243,382	346,526	391,918
Cost of Sales	(145,258)	(184,310)	(317,642)	(353,795)
Gross Profit	19,440	59,072	28,884	38,123
Other Operating Income	57,859	18,558	3,511	3,511
	77,299	77,630	32,395	41,634
Administration Costs	(13,075)	(13,075)	(9,947)	(9,947)
	64,224	64,555	22,448	31,687
Finance Costs	(24,340)	(24,340)	(12,838)	(12,838)
Profit Before Tax	39,884	40,215	9,610	18,849
Taxation	(2,833)	(7,804)	(5,352)	(5,941)
Profit of the period	37,051	32,411	4,258	12,908

**Statement of financial position**

	As restated 31/12/2012 RM'000	As per audited report 31/12/2012 RM'000
Investment properties	168,449	166,918
Property development cost	73,814	56,993
Inventories	6,074	6,793
Amount due from/(to) customers	77,425	116,187
Trade and other payables	263,977	267,008
Deferred tax (assets)/liabilities	(1,575)	75

**A2. AUDIT QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2012 was not qualified.

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**A3. SEASONALITY AND CYCLICALITY FACTORS**

The operations of the Group were not materially affected by any seasonal or cyclical factors.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the current quarter ended 31 December 2013.

**A5. CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current quarter ended 31 December 2013.

**A6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuance and repayment of debt securities, share cancellations, and/or resale of treasury shares for the current financial period under review except for the issuance of 679,000 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Shares Option Scheme.

**A7. DIVIDEND PAID**

There were no dividends paid during the current quarter.

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**A8. SEGMENTAL REPORTING**

The segmental reporting by industry of the Group is set out as below:-

(i) For the twelve (12) months ended 31 December 2013.

**Segment Revenue and Segment Results**

<b>Business Segment</b>	<b>Construction RM'000</b>	<b>Investment Holding RM'000</b>	<b>Property Developments RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
- External customer	166,238	11,248	45,918	-	223,404
- Inter-segment	220,439	15,164	-	(235,603)	-
<b>Total revenue</b>	<b>386,677</b>	<b>26,412</b>	<b>45,918</b>	<b>(235,603)</b>	<b>223,404</b>
<b>Results</b>					
- Segment Results	51,519	36,296	15,052	(22,214)	80,653
Finance Cost					(19,452)
Taxation					(2,418)
<b>Profit for the Period</b>					<b>58,783</b>

No geographical segment is presented as the Group operates principally in Malaysia.

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**A8. SEGMENTAL REPORTING (CONT'D)**

(i) For the twelve (12) months ended 31 December 2012(restated).

**Segment Revenue and Segment Results**

<b>Business Segment</b>	<b>Construction RM'000</b>	<b>Investment Holding RM'000</b>	<b>Property Developments RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>					
- External customer	423,304	9,024	52,739	-	485,067
- Inter-segment	225,194	14,956	-	(240,150)	-
Total revenue	648,498	23,980	52,739	(240,150)	485,067
<b>Results</b>					
- Segment Results	28,474	37,863	9,119	(28,672)	46,784
Finance Cost					(18,660)
Taxation					(6,894)
Profit for the Period					21,230

No geographical segment is presented as the Group operates principally in Malaysia.

**A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2012.

**A10. SUBSEQUENT MATERIAL EVENTS**

There were no material events subsequent to the reporting period up to 25 February 2014, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report, that have not been reflected in the financial statements for the current quarter ended 31 December 2013.

**CREST BUILDER HOLDINGS BERHAD** <sup>(573382-P)</sup>  
**INTERIM FINANCIAL REPORT**  
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**A11. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current quarter ended 31 December 2013.

**A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Contingent liabilities of the Group as at 25 February 2014 being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report comprises of Bank Guarantees provided by the Group to the various parties in the normal course of business and the changes in contingent liabilities since the last financial year ended 31 December 2012 are as follows:-

	<b>RM'000</b>
Balance as at 1 January 2013	39,209
Extended during the period	551
Discharged during the period	(7,287)
<b>Balance as at 25 February 2014</b>	<b>32,473</b>

**A13. CAPITAL COMMITMENTS**

There was no capital commitments that have a material effect in the current quarter ended 31 December 2013.

**A14. SIGNIFICANT RELATED PARTY DISCLOSURES**

The Group has no significant related party transactions during the current quarter ended 31 December 2013.

**CREST BUILDER HOLDINGS BERHAD** (573382-P)  
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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. REVIEW OF PERFORMANCE**

For the fourth quarter under review, the Group revenue decreased to RM58.7 million from RM138.5 million and profit before tax increased to RM21.3 million from RM18.5 million in the corresponding fourth quarter of the preceding year.

The construction division recorded revenue of RM40.6 million and loss before tax of RM5.0 million as compared to the corresponding fourth quarter of the preceding year of RM119.8 million and RM1.9 million respectively. The decreases were mainly due to completion of certain projects which carried higher material cost.

The investment division recorded revenue and profit before tax of RM4.4 million and RM5.6 million as compared to the corresponding fourth quarter of the preceding year of RM2.3 million and RM26.3 million respectively. The decreased in profit before tax was mainly due to changes in fair value of investment properties in the previous financial quarter under review.

The property development division recorded revenue decreased to RM13.7 million from RM16.4 million in the corresponding fourth quarter of the preceding year. The profit before tax increased to RM5.2 million from RM2.4 million in the corresponding fourth quarter of the preceding year. The increase in profit before tax was mainly due to new development project launched, Alam Sanjung (service apartment) in second quarter under review.

During the period under review, there is a reversal of over accrued finance cost amounting to RM15.5million.

**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS**

	<b>Current 4<sup>th</sup> Quarter RM'000</b>	<b>Preceding 3<sup>rd</sup> Quarter RM'000</b>	<b>Increase</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	58,706	37,815	20,891	55%
Profit before taxation	21,317	(5,789)	27,106	>100%
Profit after taxation	21,732	(6,063)	27,795	>100%

For the current quarter under review, the Group recorded profit before taxation and profit after taxation of RM21.3 million and RM21.7 million respectively as compared to loss before taxation of RM5.8 million and loss after taxation of RM6.1 million respectively in the immediate preceding quarter. The increase in profit after tax was mainly due to reversal of over accrued finance cost amounting to RM15.5million in the current financial quarter under review.

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**B3. CURRENT YEAR PROSPECT**

The construction division will continue to bid actively with the opportunities available from the Tenth Malaysia Plan and the infrastructure projects that are planned to be implemented under the Economic Transformation Programme.

The planned launches of our property development division year 2014 will contribute positively to the Group.

The volatility of global raw material prices will continue to impact the Group's performance. Despite the global economic uncertainty, the Board is optimistic that the Group will continue to remain profitable for the year 2014.

**B4. VARIANCES ON PROFIT FORECAST AND PROFIT GUARANTEE**

Not applicable to the Group.

**B5. TAXATION**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Quarter Ended <u>31-12-2013</u> (RM'000)	Quarter Ended <u>31-12-2012</u> (RM'000) (Restated)	Period Ended <u>31-12-2013</u> (RM'000)	Period Ended <u>31-12-2012</u> (RM'000) (Restated)
Income tax				
- Current provision	2,728	1,856	10,225	7,592
- Under provision of tax in prior years	72	232	78	414
	<u>2,800</u>	<u>2,088</u>	<u>10,303</u>	<u>8,006</u>
Deferred tax				
- Relating to origination and reversal of temporary differences	(3,215)	(546)	(7,885)	(1,112)
	<u>(415)</u>	<u>1,542</u>	<u>2,418</u>	<u>6,894</u>

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**B5. TAXATION (CONT'D)**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Quarter Ended <u>31-12-2013</u> (RM'000)	Quarter Ended <u>31-12-2012</u> (RM'000) (Restated)	Period Ended <u>31-12-2013</u> (RM'000)	Period Ended <u>31-12-2012</u> (RM'000) (Restated)
Profit before taxation	<b>21,317</b>	18,515	<b>61,201</b>	28,124
Taxation at Malaysian statutory tax rate – 25%	<b>5,329</b>	4,629	<b>15,300</b>	7,031
Income not subject to tax	<b>(1,750)</b>	(5,005)	<b>(15,306)</b>	(5,005)
Origination of deferred tax assets not recognised	<b>(354)</b>	-	-	-
Underprovision in tax in prior year	<b>72</b>	232	<b>78</b>	414
Expenses not deductible for tax purposes	<b>(3,712)</b>	1,686	<b>2,346</b>	4,454
	<b>(415)</b>	1,542	<b>2,418</b>	6,894

The Group's effective tax rate for the current quarter ended 31 December 2013 was lower than the statutory tax rate prevailing in Malaysia principally due to certain income are not subject to tax in the current period under review.

**B6. PROFIT ON SALE OF UNQUOTED INVESTMENTS AND / OR PROPERTIES**

There was no disposal of unquoted investments and/or properties for the current quarter ended 31 December 2013.

**B7. DEALINGS IN QUOTED SECURITIES**

- (i) The Group did not transact any quoted securities for the current quarter ended 31 December 2013.
- (ii) As at 31 December 2013, the Group did not hold any quoted securities.



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**B8. CORPORATE PROPOSALS**

The Group has not announced any corporate proposal during the current quarter ended 31 December 2013.

**B9. BORROWINGS AND DEBT SECURITIES**

The details of Group borrowings and debt securities, all of which is denominated in Ringgit Malaysia, as at 31 December 2013 are as follows:-

	RM'000	RM'000
Short term borrowings :		
Secured		
- Hire Purchase	379	
- Term Loan	30,502	
Unsecured		
- Bank Overdraft	32,846	
- Bankers' Acceptance	16,782	
- Revolving Credit	42,000	
		122,509
Long term borrowings :		
Secured		
- Hire Purchase	470	
- Term Loan	353,287	
		353,757
<b>Total</b>		<b>476,266</b>

**B10. FINANCIAL INSTRUMENT**

There were no financial instruments with off statement of financial position risk as at 25 February 2014, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**B11. MATERIAL LITIGATION**

Save as previously disclosed, there were no changes in material litigation, including the status of pending material litigation since the previous quarter to 25 February 2014, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

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**B12. DIVIDEND**

The Board of Directors is recommending a first and final single tier dividend of 3.75% per share in respect of the financial year ended 31 December 2013. This is subject to the shareholder approval in the next Annual General Meeting.

The entitlement and payments dates of dividend will be determined and announced at a later date

**B13. EARNINGS PER SHARE**

**a. Basic earnings per share**

The basic earnings per share has been calculated based on the Group's profit after taxation and divided by the weighted average number of ordinary shares outstanding during the current quarter ended 31 December 2013.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31-12-2013</b>	<b>31-12-2012 (Restated)</b>	<b>31-12-2013</b>	<b>31-12-2012 (Restated)</b>
Profit after tax attributable to equity holders of the company (RM'000)	<b>14,062</b>	16,758	<b>50,711</b>	21,585
Weighted average number of ordinary shares in issue ('000)	<b>159,136</b>	135,738	<b>149,574</b>	130,289
Basic earnings per share (sen)	<b>8.8</b>	12.3	<b>33.9</b>	16.6

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**b. Diluted earnings per share**

The diluted earnings per share has been calculated based on the Group's profit after taxation and divided by the weighted average number of ordinary shares which would be issued on conversion of all dilutive potential ordinary shares into ordinary shares as follows:-

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>31-12-2013</b>	<b>31-12-2012 (Restated)</b>	<b>31-12-2013</b>	<b>31-12-2012 (Restated)</b>
Profit after tax attributable to equity holders of the company (RM'000)	14,062	16,758	50,711	21,585
Weighted average number of ordinary shares ('000)	159,136	135,738	149,574	130,289
Assume full conversion of Warrants ('000)	13,592	*	7,267	*
Effects of ESOS ('000)	1,265	*	676	*
Weighted average number of ordinary shares ('000)	173,993	135,738	157,517	130,289
Diluted earnings per share (sen)	8.1	12.3	32.2	16.6

\* Not taken into account in the computation of diluted earnings per share because the effect is anti-dilutive.

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**B14. DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS**

The breakdown of the retained profits of the Group and the Company as at 31 December 2013, into realised and unrealised is as follows:

	<b>As at the end of current quarter RM'000</b>	<b>As at the end of immediate Preceding quarter RM'000</b>
Total retained profits of the Company and its Subsidiaries		
- Realised	74,996	62,947
- Unrealised	137,563	127,349
	212,559	190,296
Less: Consolidation adjustments	(9,446)	(706)
Total Group's retained profits as per consolidated accounts	203,113	189,590

The disclosure of realised and unrealised profits above is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010 and the directive issued by Bursa Malaysia Securities Berhad on 25 June 2010 and 20 December 2010.

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**B15. PROFIT FOR THE PERIOD**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<u>31-12-2013</u> (RM'000)	<u>31-12-2012</u> (RM'000) (Restated)	<u>31-12-2013</u> (RM'000)	<u>31-12-2012</u> (RM'000) (Restated)
<b>Profit for the period/year is arrived at after charging:</b>				
Depreciation of property, plant and equipment	734	888	3,267	3,815
Interest expenses	(4,888)	5,822	19,452	18,660
Effect of unwinding of interest from the discounting of trade payables	251	-	251	-
<b>and after crediting:</b>				
Gain on disposal of property, plant and equipment	-	9	702	1,318
Change in fair value of investment property	7,000	28,349	60,915	28,349
Interest income	62	128	484	378
Effect of FRS 139 on trade payables	52	-	52	-
Effect of unwinding of interest from the discounting of trade receivables	252	-	252	-
Other income	671	1,003	3,491	2,954

**B16. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 February 2014.

By Order of the Board

Company Secretaries  
Heng Chiang Pooh FCIS (MAICSA 7009923)  
Chiam Han Twee FCIS (MAICSA 7009910)

Date: 28 February 2014