

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER (Q1)		CUMULATIVE QUARTER (3 Mths)	
		CURRENT YEAR QUARTER 30/09/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2012 RM'000	CUMULATIVE CURRENT YEAR 30/09/2013 RM'000	CUMULATIVE PRECEDING YEAR 30/09/2012 RM'000
Revenue	9	118,789	91,944	118,789	91,944
Cost of sales		(80,201)	(59,192)	(80,201)	(59,192)
Gross profit		38,588	32,752	38,588	32,752
Other operating income	10	1,044	1,289	1,044	1,289
Administrative expenses		(16,491)	(15,025)	(16,491)	(15,025)
Selling and marketing expenses		(3,497)	(2,647)	(3,497)	(2,647)
Other operating expenses		(7,149)	(5,658)	(7,149)	(5,658)
Profit from operations	9	12,495	10,711	12,495	10,711
Finance costs		(2,787)	(2,860)	(2,787)	(2,860)
Profit before taxation	11	9,708	7,851	9,708	7,851
Taxation	21	(4,256)	(3,784)	(4,256)	(3,784)
Profit for the period		5,452	4,067	5,452	4,067
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		5,452	4,067	5,452	4,067
<b>Profit for the period</b>					
Attributable to:					
Equity holders of the parent		5,452	4,067	5,452	4,067
<b>Total comprehensive income for the period</b>					
Attributable to:					
Equity holders of the parent		5,452	4,067	5,452	4,067
<b>Basic earnings per share (sen)</b>	26	0.45	0.34	0.45	0.34

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**AS AT 30 SEPTEMBER 2013**

(The figures have not been audited)

	Note	UNAUDITED AS AT END OF CURRENT QUARTER 30/09/2013 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 30/06/2013 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		187,508	183,889
Land held for property development		597,848	597,848
Investment properties	12	211,087	211,087
Deferred tax assets		3,847	3,847
		1,000,290	996,671
<b>Current Assets</b>			
Property development costs		408,218	415,879
Inventories		116,913	117,689
Trade receivables		283,425	266,806
Other receivables		33,080	33,293
Tax recoverable		10,813	7,352
Cash and bank balances		93,579	110,427
		946,028	951,446
<b>Total Assets</b>		1,946,318	1,948,117
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		1,207,262	1,207,262
Reserves		(99,671)	(105,123)
		1,107,591	1,102,139
<b>Non-Current Liabilities</b>			
Long term borrowings	23	103,357	105,336
Other payables		58,741	57,423
Deferred tax liabilities		43,508	43,525
		205,606	206,284
<b>Current Liabilities</b>			
Short term borrowings	23	36,210	45,591
Trade payables		272,213	249,296
Other payables		236,702	261,735
Provisions for liabilities		79,557	80,148
Tax payable		8,439	2,924
		633,121	639,694
<b>Total Liabilities</b>		838,727	845,978
<b>Total Equity and Liabilities</b>		1,946,318	1,948,117
<b>Net assets per share attributable to equity holders of the parent (sen)</b>		92	91

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

	<----- Attributable to the equity holders of the parent ----->					Total RM'000
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Merger Deficit RM'000 (Note 24)	Distributable Retained Profits/ (Accumulated Losses) RM'000	
<b>At 1 July 2013</b>	1,207,262	(1,904)	9,034	(112,253)	-	1,102,139
Total comprehensive income for the period	-	-	-	-	5,452	5,452
Transfer to merger deficit	-	-	-	5,452	(5,452)	-
<b>At 30 September 2013</b>	<u>1,207,262</u>	<u>(1,904)</u>	<u>9,034</u>	<u>(106,801)</u>	<u>-</u>	<u>1,107,591</u>
<b>At 1 July 2012</b>	1,207,262	(1,904)	9,034	(134,530)	-	1,079,862
Total comprehensive income for the period	-	-	-	-	40,345	40,345
Dividend on ordinary shares	-	-	-	-	(18,068)	(18,068)
Transfer to merger deficit	-	-	-	22,277	(22,277)	-
<b>At 30 June 2013</b>	<u>1,207,262</u>	<u>(1,904)</u>	<u>9,034</u>	<u>(112,253)</u>	<u>-</u>	<u>1,102,139</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

	3 Months Ended 30/09/2013 RM'000	3 Months Ended 30/09/2012 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	9,708	7,851
Adjustments for non-cash and non-operating items	4,833	7,133
Operating profit before working capital changes	14,541	14,984
Decrease/(increase) in land held for property development & property development cost	7,661	(8,365)
Decrease in inventories	776	11
(Increase)/decrease in receivables	(16,406)	3,642
Increase in payables	6,925	1,552
Cash generated from operations	13,497	11,824
Taxes paid	(2,219)	(5)
<b>Net cash generated from operations</b>	<b>11,278</b>	<b>11,819</b>
<b>Cash flows from investing activity</b>		
Purchase of property, plant & equipment	(5,320)	(3,198)
<b>Net cash used in investing activity</b>	<b>(5,320)</b>	<b>(3,198)</b>
<b>Cash flows from financing activities</b>		
Net (repayment)/drawdown of borrowings	(10,042)	18,727
Dividend paid	(9,034)	-
Interest paid	(1,469)	(1,915)
<b>Net cash (used in)/generated from financing activities</b>	<b>(20,545)</b>	<b>16,812</b>
<b>Net increase in cash and cash equivalents</b>	<b>(14,587)</b>	<b>25,433</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>108,166</b>	<b>109,299</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>93,579</b>	<b>134,732</b>
<b>Cash and cash equivalents at end of financial period comprise the following:</b>		
Deposits with licensed banks	5,533	5,387
Cash and bank balances	88,046	136,395
	93,579	141,782
Bank overdrafts	-	(7,050)
	93,579	134,732

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 30 June 2013.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART A - EXPLANATORY NOTES

#### 1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2013. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2013.

#### 2 Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2013, except for the adoption of the following Financial Reporting Standards (FRS) and Amendments to FRSs which are mandatory for these financial statements.

FRS and Amendments to FRSs:

Amendments to FRS 101	Presentation of Financial Statements (Improvements to FRSs (2012))
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosures of interest in Other Entities
FRS 13	Fair Value Measurements
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards - Government Loans
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))
Amendments to FRS 116	Property, Plant and Equipment (Improvements to FRSs (2012))
Amendments to FRS 132	Financial Instruments: Presentation (Improvements to FRSs (2012))
Amendments to FRS 134	Interim Financial Reporting (Improvements to FRSs (2012))
Amendments to FRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to FRS 11	Joint Arrangements: Transition Guidance
Amendments to FRS 12	Disclosure of Interest in Other Entities: Transition Guidance

The adoption of the above Amendments to FRSs, IC Interpretations, Amendments to IC Interpretations and Improvements to FRSs does not have any material impact on the financial position and results of the Group.

#### 3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2013 was not qualified.

#### 4 Comments About Seasonal or Cyclical Factors

The business operations of the Group is generally affected by the nation's state of economy.

#### 5 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence during the current quarter.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART A - EXPLANATORY NOTES

#### 6 Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

#### 7 Debt and Equity Securities

There were no issuance of debt and equity securities, share buy backs, share cancellations, shares held as treasury share and resale of treasury shares during the financial period ended 30 September 2013.

#### 8 Dividends

No dividend has been declared by the Board for the financial period ended 30 September 2013.

#### 9 Segmental Information

	3 Months Ended 30/09/2013 RM'000	3 Months Ended 30/09/2012 RM'000
<b>Segment Revenue</b>		
Property development	109,326	81,691
Leisure	8,922	8,591
Investment	8,561	7,007
Education	541	1,662
	<hr/> 127,350	<hr/> 98,951
Eliminations on consolidation	(8,561)	(7,007)
Total revenue	<hr/> 118,789	<hr/> 91,944
<b>Segment Results</b>		
Property development	10,736	9,274
Leisure	(2,133)	(1,797)
Investment	4,539	3,654
Education	(492)	(440)
	<hr/> 12,650	<hr/> 10,691
Eliminations on consolidation	(155)	20
Profit from operations	<hr/> 12,495	<hr/> 10,711

Segment reporting by geographical segments has not been prepared as all activities of the Group are carried out in Malaysia only.

#### 10 Other Operating Income

	3 Months Ended		3 Months Ended	
	30/09/2013 RM'000	30/09/2012 RM'000	30/09/2013 RM'000	30/09/2012 RM'000
Included in the other operating income are:				
Interest income	439	736	439	736
Rental income	663	734	663	734
	<hr/>	<hr/>	<hr/>	<hr/>

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART A - EXPLANATORY NOTES

#### 11 Profit Before Taxation

	3 Months Ended		3 Months Ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	RM'000	RM'000	RM'000	RM'000
The following have been included in arriving at profit before taxation:				
Interest expense	2,787	2,860	2,787	2,860
Depreciation	1,701	1,586	1,701	1,586

The other items required by Para 9.22 of the Bursa Malaysia Listing Requirements are not applicable to the Group.

#### 12 Carrying Amount of Revalued Assets

The investment properties have been revalued at the end of the financial year ended 30 June 2013.

#### 13 Changes in the Composition of the Group

There were no material changes in the composition of the Group during the current financial period.

#### 14 Subsequent events

There were no material events subsequent to the end of the current financial period.

#### 15 Commitments

There were no commitments at the end of the current financial period.

#### 16 Changes in Contingent Liabilities and Contingent Assets

##### a) Corporate guarantees

Contingent liabilities in respect of corporate guarantees issued by the holding company to licensed banks for credit facilities granted to subsidiaries amounted to RM100,619,000 as at 30 September 2013.

##### b) Gain on sale of investment properties

Between financial years 2002 and 2004, a wholly owned subsidiary, Medan Prestasi Sdn Bhd ("MPSB") disposed off certain investment properties and filed the necessary forms as required by the Real Property Gains Tax Act, 1976 ("RPGT"). The Inland Revenue Board ("IRB") contended that the gain from the sale should be subject to income tax instead of the Real Property Gains Tax and has raised an assessment of about RM12.6 million (inclusive of a penalty of RM3.9 million). MPSB after due consideration and in consultation with its tax agent disagreed with the IRB position and had appealed against the assessment. The IRB rejected MPSB's appeal and demanded MPSB to pay the outstanding tax and additional penalties amounting to RM14.6 million. MPSB has since submitted a Notice of Appeal to the Special Commissioners of Income Tax.

Subsequent to the initial appeal to the IRB, the IRB has initiated a civil suit against MPSB and has served a writ of summon and statement of claim for RM13.5 million to MPSB. In response, MPSB has filed an application for stay of proceedings. On 11th February 2010, the Shah Alam High Court has granted a stay of proceedings until the final disposal of the appeal before the SCIT. Subsequently, the IRB has on 5 March 2010 filed a notice of appeal to the High Court on the decision to grant the stay of proceedings. The Court had, on 16 March 2011, allowed IRB's appeal. On 15 April 2011, MPSB has filed a defense at the High Court against the civil suit. No hearing date has been fixed.

# M K LAND HOLDINGS BERHAD

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## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART A - EXPLANATORY NOTES

#### 16 Changes in Contingent Liabilities and Contingent Assets (contd)

##### b) Gain on sale of investment properties (contd)

On 2 June 2009, the IRB has forwarded MPSB's appeal to the Special Commissioners of Income Tax ("SCIT") and on 6 May 2011, SCIT dismissed the appeal and MPSB has filed an appeal to the High Court on 24 May 2011. Case management was held on 21 November 2011 and the hearing was held on 6 April 2012 and 23 May 2012. The High Court, on 14 September 2012, ordered for a new hearing to be fixed and determined before a new panel of SCIT. The hearing which was set on 11 and 14 November 2013 is now postponed to 20 until 22 October 2014.

The directors have decided that a provision will not be made for this amount as MPSB is disputing the basis of the assessment that the gain on disposal of these investment properties should be subject to RPGT.

### PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 17 Performance Analysis

	3 Months Ended		3 Months Ended	
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Property development	109,326	81,691	109,326	81,691
Leisure	8,922	8,591	8,922	8,591
Investment	8,561	7,007	8,561	7,007
Education	541	1,662	541	1,662
	<u>127,350</u>	<u>98,951</u>	<u>127,350</u>	<u>98,951</u>
Eliminations on consolidation	(8,561)	(7,007)	(8,561)	(7,007)
Total revenue	<u>118,789</u>	<u>91,944</u>	<u>118,789</u>	<u>91,944</u>
<b>Profit before taxation</b>				
Property development	8,095	6,638	8,095	6,638
Leisure	(2,133)	(1,798)	(2,133)	(1,798)
Investment	4,305	3,519	4,305	3,519
Education	(492)	(441)	(492)	(441)
	<u>9,775</u>	<u>7,918</u>	<u>9,775</u>	<u>7,918</u>
Elimination on consolidation	(67)	(67)	(67)	(67)
	<u>9,708</u>	<u>7,851</u>	<u>9,708</u>	<u>7,851</u>

The Group recorded revenue and profit before taxation of RM118.8 million and RM9.7 million respectively for the current quarter ended 30 September 2013.

Property development segment generated RM109.3 million, representing 92.0% of the total revenue for the three months period ended 30 September 2013. The revenue is mainly from the sales and construction progress of development properties in the Klang Valley and Ipoh. The lower revenue of the education segment was due to the lower student population during the period.



# M K LAND HOLDINGS BERHAD

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## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 18 Variations of Results Against The Preceding Quarter

	3 Months Ended	
	30/09/2013	30/06/2013
	RM'000	RM'000
<b>Profit before taxation</b>		
Property development	8,095	34,521
Leisure	(2,133)	(3,303)
Investment	4,305	8,790
Education	(492)	252
	<u>9,775</u>	<u>40,260</u>
Eliminations on consolidation	(67)	(15,570)
	<u>9,708</u>	<u>24,690</u>

The Group recorded profit before taxation of RM9.7 million for the current quarter as compared to a profit before taxation of RM24.7 million recorded in the preceding quarter, representing a 60.7% decrease in profit before tax.

The material changes are mainly from the property development and investment segments. The profit before tax for the property development segment is higher in the preceding quarter due to the fair value adjustment of investment properties, as well as higher construction activities especially for the Rafflesia semi-detached bungalows where certain phases were completed towards the end of the preceding quarter. The lower loss in respect of the leisure segment was mainly due to lower cost incurred in the current quarter. The better results of the investment segment for the preceding quarter was due to dividends from a subsidiary. The education segment results in the preceding quarter was helped by the rationalisation of management fees charged.

#### 19 Commentary on Prospects

The Group's strategically located projects, especially in the Klang Valley and Ipoh, together with a resilient property market are expected to be the key drivers for its growth.

Barring unforeseen circumstances, the Board of Directors anticipates better financial performance for the financial year ending 30 June 2014.

#### 20 Profit Forecast and Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and forecast profit after tax and for the shortfall in profit guarantee are not applicable.

#### 21 Taxation

	3 Months Ended	3 Months Ended
	30/09/2013	30/09/2012
	RM'000	RM'000
Income tax expense :		
Charge for the period	4,273	3,801
Deferred tax	(17)	(17)
	<u>4,256</u>	<u>3,784</u>

The effective tax rate for the Group is higher than the statutory tax rate at 25% principally due to losses of certain subsidiaries which cannot be fully set off against taxable profits made by other subsidiaries.

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 22 Status of Corporate Proposals

##### a) Employee Shares Option Scheme

The Employee Share Option Scheme ("ESOS") was terminated on 29 November 2002 at an Extraordinary General Meeting. At the same time, the Company also announced its intention to establish a new ESOS for eligible employees and directors of the Group. The proposed new ESOS will give them the right to subscribe for 120,440,878 new ordinary shares in the Company of RM1.00 each for a price that would be determined at a later date. The approval from the Securities Commission on the proposed new ESOS was obtained on 9 January 2003 but has not been implemented to date.

##### b) Share Buy-Back Scheme

A renewal of the Share Buy-Back Scheme mandate was tabled and approved by the shareholders at the AGM on 30 November 2012. The actual number of shares which may be purchased and the timing of the purchase(s) will depend on, inter-alia, market conditions, the availability of retained earnings/share premium and financial resources of the Company as well as Bursa Securities Malaysia Berhad ("Bursa Securities") requirements to maintain the necessary shareholding spread and minimum issued and paid-up share capital. The Share Buy-Back will be financed through internally generated funds and/or borrowings. There were no shares repurchased during the current quarter.

On 24 October 2013, the Company announced its intention to seek the approval of its shareholders at the forthcoming Annual General Meeting to be held on 29 November 2013 on the proposed renewal of the share buy-back mandate.

#### 23 Borrowings and Debt Securities

	At 30/09/2013 RM'000	At 30/06/2013 RM'000
<b>Secured</b>		
<b>Short Term Borrowings :</b>		
Bank overdrafts	-	2,261
Revolving credits	29,706	33,306
Hire purchase payables	54	125
Short term portion of term loans	6,450	9,899
	<u>36,210</u>	<u>45,591</u>
<b>Long Term Borrowings :</b>		
Hire purchase payables	81	36
Term loans (long term portion)	103,276	105,300
	<u>103,357</u>	<u>105,336</u>
<b>Total Borrowings</b>	<u>139,567</u>	<u>150,927</u>

#### 24 Realised and Unrealised Profits/Losses

	At 30/09/2013 RM'000	At 30/06/2013 RM'000
Unrealised	53,320	53,338
Realised	(160,121)	(165,591)
Total	<u>(106,801)</u>	<u>(112,253)</u>

# M K LAND HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA) - 40970 H

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(The figures have not been audited)

### PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### 25 Changes in Material Litigation

As at 20 November 2013, there were no changes in material litigation save as disclosed below since the last audited statement of financial position of 30 June 2013.

- a) On 6 April 2009, 171 purchasers ("Plaintiffs") of Lake Town Serviced Apartments ("LTSA"), Bukit Merah, have by way of class action commenced a civil suit in High Court to seek declaration for rescission of the Sales and Purchase Agreements ("SPA") signed from 2001 till 2005 between the Plaintiffs and Segi Objektif (M) Sdn Bhd ("SEGI"), a subsidiary of MK Land Holdings Berhad ("MKLHB"). The Plaintiffs have alleged that SEGI and MKLHB of Misrepresentation in the Recitals of the SPA and Breach of Terms of the SPA.

On 26 October 2009, the Court has allowed MKLHB's application to be struck off as a party to the suit. The Plaintiffs have made an appeal to the Court of Appeal on the striking off of MKLHB as a party to the suit. On 4 May 2011, the Court of Appeal dismissed the Plaintiffs' appeal. The Plaintiffs has filed an application to amend their writ of summons and statement of claim to add on the number of plaintiffs. The application for case management was heard on 31 October 2012 and was fixed for decision on 14 December 2012 is now deferred to 22 February 2013. On 22 February 2013, the Court allowed the Plaintiff's application to amend the summon in respect of the Statement of Claim but dismissed the Plaintiff's application to add on the number of plaintiffs and our application to strike out the Plaintiff's summons. On 20 March 2013, we filed an appeal to the Court of Appeal against the above decisions. Case management was fixed on 4 June 2013 and the full trial from 17 to 20 September 2013. Case management is set to continue on 26 November 2013 and the full trial set from 17 to 20 September 2013 has been deferred.

We have filed a notice of taxation and bill of cost on 23 April 2012 in relation to the Court's decision for MKLHB to be struck off as a party to the suit. The plaintiff's application to review the taxation which was fixed for hearing on 31 October 2012 has been deferred.

Nonetheless, our solicitors are of the opinion that SEGI has a good defense against the suit as the claims by the Plaintiffs are baseless and there is no breach of the terms in the SPA.

#### 26 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period:

	3 Months Ended 30/09/2013	3 Months Ended 30/09/2012
Net profit for the period (RM'000)	5,452	4,067
Weighted average no. of ordinary shares in issue ('000)	1,204,590	1,204,590
Basic earnings per share (sen)	0.45	0.34

#### 27 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 27 November 2013.