

**Part A: Explanatory Notes Pursuant To FRS 134: Interim Financial Reporting****A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (FRS) 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standard Board (MASB) and Paragraph 9.22 of the Main Market Listing requirements.

This interim financial statements should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 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 year ended 31 December 2013.

**A2 Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 31 December 2013, except for the adoption of the following Amendments/ Improvement to FRSs and new IC Int with effect from 1 January 2014.

**Amendements/ Improvement to FRSs**

FRS 10	:	Consolidated Financial Statements
FRS 12	:	Disclosure of Interests in Other Entities
FRS 127	:	Separate Financial Statements
FRS 132	:	Financial Instruments : Presentation
FRS 136	:	Impairment of Assets
FRS 139	:	Financial Instruments : Recognition and Measurement

**New IC Int**

IC Int 21	:	Levies
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The adoption of the above Amendments/ Improvement to FRSs and New IC Int did not have significant impact on the Group.

**Malaysian Financial Reporting Standards ("MFRS")**

On 19 November 2011, The Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the

The MFRS 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 subject to the application of MFRS 141 Agriculture and Issues Committee Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture (herein referred to as "Transitioning Entities").

On 7 August 2013, the MASB issued another announcement that Transitioning Entities would only be required to adopt the MFRS framework for the annual periods beginning on or after 1 January 2015. Subsequently on the 2 September 2014, MASB has further announced that Transitioning Entities shall be required to apply the Malaysian Financial Reporting Standards ("MFRS") Framework for annual periods beginning on or after 1 January 2017.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will quantify the financial effects of the differences between the current FRS and MFRS. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

**A3 Seasonality or Cyclicity of Operations**

The business operations of the Group are not materially affected by the seasonal or cyclical factors.

**A4 Unusual Items Affecting the Financial Statements**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow during the financial period under review.

**A5 Material Changes in Estimates**

There was no change in estimates that have any material effect on the financial year-to-date.

**Part A: Explanatory Notes Pursuant To FRS 134: Interim Financial Reporting**

**A6 Debt and Equity Securities**

There were no issuances, cancellations, resale and repayments of debt and equity securities during the financial period ended 30 September 2014 other than as mentioned below:

On 18 June 2014, the shareholders of the Company at the Twenty-First Annual General Meeting, approved the renewal of authority for the Company to purchase its own shares. In the quarter under review, the Company did not purchase any shares in the open market. The total number of shares held as treasury shares as at 30 September 2014 was 3,412,646 at a total cost of RM1.02 million. The repurchased shares are being held as treasury shares in accordance with the provision of Section 67A of the Companies Act, 1965.

**A7 Dividend Paid**

In this current quarter, the Company paid a first and final single tier dividend of 2 sen per share on 12 September 2014 in respect of financial year ended 31 December 2013.

**A8 Segment Reporting**

Details of segmental analysis (by business segment) are as follow:

**Financial period ended 30.9.2014**

	Construction	Property development	South Africa Investment	Healthcare	Manufacturing & Trading	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>								
External revenue	284,581	67,823	11,150	20,403	488	-	-	384,444
Inter-segment revenue	(0.00)	-	-	-	68	7,600	(7,668)	-
Total segment revenue	284,581	67,823	11,150	20,403	556	7,600	(7,668)	384,444
<b>RESULTS</b>								
Profit/(loss) from operations	28,204	17,909	3,237	671	(29)	(192)	2,532	52,333
Finance cost	(1,149)	(3,965)	-	(346)	(137)	(26)	3,015	(2,609)
<b>Profit/(loss) before tax</b>	<b>27,055</b>	<b>13,944</b>	<b>3,237</b>	<b>326</b>	<b>(166)</b>	<b>(219)</b>	<b>5,547</b>	<b>49,724</b>
Share of results of associate								-
Taxation								(12,528)
<b>Profit net of tax</b>								<b>37,196</b>

**Financial period ended 30.9.2013**

	Construction	Property development	South Africa Investment	Healthcare	Manufacturing & Trading	Others	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>								
External revenue	136,023	52,844	7,884	14,783	3,035	-	-	214,568
Inter-segment revenue	-	3,220	-	-	39	-	(3,259)	(0)
Total segment revenue	136,023	56,064	7,884	14,783	3,074	-	(3,259)	214,568
<b>RESULTS</b>								
Profit/(loss) from operations	6,930	9,514	1,494	506	905	6,524	(2,412)	23,461
Finance cost	(930)	(3,858)	-	(386)	(120)	(31)	2,741	(2,584)
<b>Profit/(loss) before tax</b>	<b>6,001</b>	<b>5,656</b>	<b>1,494</b>	<b>121</b>	<b>785</b>	<b>6,493</b>	<b>329</b>	<b>20,878</b>
Share of results of associate								-
Taxation								(5,348)
<b>Profit net of tax</b>								<b>15,530</b>

**A9 Valuation of property, plant and equipment**

The valuations of property, plant and equipment have been brought forward, without amendment from the preceding annual financial statements.

**Part A: Explanatory Notes Pursuant To FRS 134: Interim Financial Reporting****A10 Material Event Subsequent to the End of the Current Quarter**

There was no material event subsequent to the end of the current quarter.

**A11 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

**A12 Changes in Contingent Liabilities and Contingent Assets**

The changes in the Group's contingent liabilities are as follow:

	<b>Financial Year-To-Date 30.9.2014 RM'000</b>	<b>Previous Financial Year 31.12.2013 RM'000</b>
- Performance guarantees extended to a third party (Project related)	10,486	8,792
	<u>10,486</u>	<u>8,792</u>

There were no financial impact for the financial assistance provided in the Group for the current quarter and financial year-to-date ended 30 September 2014.

There were no contingent assets as at end of the previous financial year and 30 September 2014.

**A13 Capital Commitments**

	<b>Financial Year-To-Date 30.9.2014 RM'000</b>	<b>Previous Financial Year 31.12.2013 RM'000</b>
Approved and contracted for Property, Plant & Equipment	8,168	-
Approved but not contracted for Property, Plant & Equipment	21,490	-

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

**B1 Review of the Performance**

For the third quarter ended 30 September 2014, the Group's revenue increased significantly by RM75.41 million (107.5%) to RM145.56 million from RM70.15 million as reported in the preceding year's corresponding quarter. Correspondingly, the Group's profit before tax rose by RM 6.49 million (61.7%) to RM17.01 million from RM10.52 million in the preceding year's corresponding quarter. The increase in the Group's revenue and profit before tax was mainly derived from construction division.

For 9 months ended 30 September 2014, the Group posted a revenue of RM384.44 million, an increase of RM169.87 million (79.2%) over the revenue of RM214.57 million as reported in the 9 months of 2013. The Group's profit before tax surged substantially from RM20.88 million to RM49.72 million, representing a growth of RM28.84 million (138.1%) as compared to the preceding year corresponding period.

Further analysis of the divisional performances is as follows:

	Individual Quarter		Cumulative Period	
	3 months ended		9 months ended	
	30.9.2014	30.09.2013	30.9.2014	30.09.2013
	RM'000	RM'000	RM'000	RM'000
<b>REVENUE</b>				
Construction	111,490	41,440	284,581	136,023
Property Development	22,445	17,467	67,823	52,844
South Africa Investment	4,551	3,181	11,150	7,884
Healthcare	6,886	5,448	20,403	14,783
Manufacturing & Trading	184	2,614	488	3,035
Others	-	-	-	-
	<b>145,555</b>	<b>70,151</b>	<b>384,444</b>	<b>214,568</b>
<b>PROFIT BEFORE TAX</b>				
Construction	8,827	2,341	27,054	6,001
Property Development	6,186	1,470	13,944	3,615
South Africa Investment	1,582	851	3,237	1,494
Healthcare	(58)	139	326	121
Manufacturing & Trading	(42)	139	(166)	785
Others	(87)	1,291	(218)	3,752
Elimination	603	4,292	5,547	5,111
	<b>17,010</b>	<b>10,522</b>	<b>49,724</b>	<b>20,878</b>

**Construction**

The Construction division was the major contributor to the increase in Group's revenue and profit before tax. This division's revenue and profit before tax increased to RM111.49 million and RM8.83 million respectively, it represents an increase of RM70.0 million (169.0%) and RM6.49 million (277.1%) compared to the preceding year corresponding period. It was attributable to the revenue recognition from LRT stations projects currently in advance stage and 2 major projects secured end of 2013 & early this year.

Correspondingly, cumulative 9 months revenue and profit before tax increased substantially to RM284.58 million and RM27.05 million respectively, representing an increase of 109.2% and 350.8% compared to the preceding year corresponding period.

**Property Development**

The Property development division has also contributed higher revenue of RM22.44 million and profits before tax of RM6.19 million for the third quarter of 2014, an increase of RM4.98 million (28.5%) and RM4.72 million (320.8%) as compared to the preceding year's corresponding quarter. It was mainly derived from the increased in revenue contribution from sales of completed units in Kiara 9 & profit recognition from the on-going project '280 Park Homes'.

Correspondingly, cumulative 9 months revenue and profit tax increased to RM67.82 million and RM13.94 million respectively, representing an increase of 28.3% and 285.8% compared to the preceding year corresponding period.

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

**B1 Review of the Performance (continued)**

**South Africa Investment**

Our property project in South Africa has contributed slightly higher revenue and profit before tax of RM4.55 million and RM1.58 million for the current quarter as compared to preceding year's corresponding quarter. Correspondingly, the cumulative 9 months revenue and profit before tax has increased to RM11.15 million and RM3.24 million respectively, an increase of 41.4% and 116.7% compared to the preceding year corresponding period.

**Healthcare**

The Healthcare division has also increased its contribution for revenue and profit before tax of RM20.40 million and RM0.32 million for the cumulative 9 months of 2014, an increase of 38.0% and 170.3% as compared to the preceding year corresponding period.

**B2 Comparison with Preceding Quarter Results**

	Current Quarter ended 30.9.2014 RM'000	Preceding Quarter ended 30.6.2014 RM'000	Variance %
Revenue	145,555	134,719	8.0%
Profit before tax ("PBT")	17,010	18,357	-7.3%
Profit margin	11.7%	13.6%	

The Group's revenue in the current quarter has increased by RM10.84 million (8.0%) to RM145.56 million from the preceding quarter's revenue of RM134.72 million. Nevertheless, the Group's PBT has decreased slightly by RM1.35 million (7.3%) from RM18.36 million to RM17.01 million in the current quarter.

**B3 Profit for the period**

	Individual Quarter		Cumulative Period	
	3 months ended		9 months ended	
	30.9.2014 RM'000	30.9.2013 RM'000	30.9.2014 RM'000	30.9.2013 RM'000
<b>Profit for the period is arrived at after crediting/(charging):</b>				
Interest income	326	264	376	347
Other income	1,301	(215)	2,019	1,841
Interest expenses	(1,862)	(825)	(2,609)	(2,584)
Depreciation and amortisation	(4,712)	(2,400)	(7,044)	(7,675)
Property, plant and equipment written off	(412)	(1,570)	(413)	(1,732)
Gain/(Loss) on disposal of quoted/unquoted investment	-	4,224	-	4,224
Gain/(loss) on disposal of property, plant and equipment	562	58	637	916
Unrealised (loss)/gain on foreign exchange	(65)	20	(80)	-
Realised (loss)/gain on foreign exchange	-	13	-	(206)

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

**B4 Current Year Prospects**

The financial performance of the Group is expected to be strong for FYE 2014 in view of the following developments within the Group:

- a) Our construction division has successfully built up its record high order book at RM1.55 billion after securing 2 sizeable projects (Raffles American School & MK22) totalling RM671.65 million in the past 2 months. This division is expected to contribute respectable profits as work of the existing on-going projects are progressing well.
- b) The Property division is expected to start seeing contribution from the launch of the new high rise residential project, Wangsa 9 Residency in Wangsa Maju in the final quarter of 2014. This project has recorded a high take up rate since its soft launch in July 2014.
- c) Our property project in South Africa will increase its contribution to the Group following its high take up rate of the launching of its new township early this year.
- d) The healthcare division's contribution is expected to improve after its internal restructuring and from the aggressive marketing strategies to boost sales.

**B5 Profit Forecast**

The Group did not issue any profit forecast for the year.

**B6 Taxation**

	Current Quarter ended 30.9.2014 RM'000	Financial Year-To-Date ended 30.9.2014 RM'000
Taxation based on profit for the period		
- current year	4,019	12,506
- under/ (over) provision in prior years	22	22
	4,041	12,528
Deferred taxation	41	0
	4,082	12,528

The Group's effective tax rate for financial year-to-date was slightly higher than the statutory tax rate due to the losses of certain companies cannot be set off against the profits made by other companies within the Group.

**B7 Status of Corporate Proposals**

There was no corporate proposal announced as at the date of issue of this quarterly report.

**B8 Group Borrowings and Debt Securities**

	Short term RM'000	Long term RM'000
Secured	25,889	15,719
Unsecured	47,325	3,719
	73,213	19,438

Foreign currency bank borrowings included in the above are as follow:

In South African Rand '000	-
Equivalent to Ringgit Malaysia '000	-

**B9 Material Litigation**

The Group is not engaged in any material litigations either as plaintiff or defendant, which will have a material effect on the financial position of the Group.

Part B: Explanatory Notes Pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

**B10 Dividend**

The Directors are not recommending any dividend for the quarter ended 30 September 2014.

**B11 Earnings Per Share**

Individual Quarter		Cumulative Period	
3 months ended		9 months ended	
30.9.2014	30.09.2013	30.9.2014	30.09.2013

(a) **Basic Earnings**

Profit attributable to equity holders of the Company (RM'000)	<b>13,117</b>	8,569	<b>37,624</b>	15,872
Weighted average number of ordinary shares (RM0.50 each) in issue ('000)	<b>394,119</b>	394,450	<b>394,137</b>	394,511
Basic earnings per share (sen)	<b>3.33</b>	2.17	<b>9.55</b>	4.02

(b) **Diluted Earnings**

The effect on the earnings is anti-dilutive as the average market price of the ordinary shares is lower than the exercise price of the warrants 2011/2016.

**B12 Realised and Unrealised Earnings or (Losses) Disclosure**

	As at 30.9.2014 RM'000	As at 30.9.2013 RM'000
Total retained earnings of the Group :		
-realised	185,879	141,582
-Unrealised	653	1,763
Total retained earnings as per consolidated accounts	<u>186,532</u>	<u>143,345</u>

**B13 Auditors' Report of Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 31 December 2013 was not qualified.

**By Order of the Board**

**Leong Oi Wah**  
 Secretary