



**MAHAJAYA**

**MAHAJAYA BERHAD** (391035-P)

**CONDENSED FINANCIAL REPORTS**  
**For the Quarter Ended**  
**31 December 2011**  
**(Unaudited)**

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## A. CONDENSED FINANCIAL STATEMENTS

A1. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2011

	UNAUDITED AS AT END OF CURRENT QUARTER 31.12.2011 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 30.06.2011 RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	10,977	11,601
Investment properties	3,268	1,687
Land held for property development	212,371	218,874
	<u>226,616</u>	<u>232,162</u>
<b>CURRENT ASSETS</b>		
Property development costs	93,375	88,140
Inventories	41,395	47,608
Amount due from contract customers	7,493	8,295
Trade receivables and other receivables	51,831	150,183
Short term deposits	42,132	24,699
Cash and bank balances	7,478	4,588
	<u>243,704</u>	<u>323,513</u>
<b>TOTAL ASSETS</b>	<u>470,320</u>	<u>555,675</u>
<b>EQUITY AND LIABILITIES</b>		
Attributable to equity holders of the Company		
Share capital	274,014	274,014
Reserves	68,517	63,745
	<u>342,531</u>	<u>337,759</u>
Minority interests	3,548	3,554
<b>TOTAL EQUITY</b>	<u>346,079</u>	<u>341,313</u>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	2,698	24,780
Deferred taxation	22,503	22,872
	<u>25,201</u>	<u>47,652</u>
<b>CURRENT LIABILITIES</b>		
Trade payables and other payables	61,484	63,365
Borrowings	1,037	59,827
Taxation	36,519	43,518
	<u>99,040</u>	<u>166,710</u>
<b>TOTAL LIABILITIES</b>	<u>124,241</u>	<u>214,362</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>470,320</u>	<u>555,675</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)



**A2. CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS  
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2011**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Unaudited CURRENT QUARTER 31.12.2011 RM'000	Unaudited PRECEDING YEAR CORRESPONDING QUARTER 31.12.2010 RM'000	Unaudited CURRENT YEAR TODATE 31.12.2011 RM'000	Unaudited PRECEDING YEAR CORRESPONDING PERIOD 31.12.2010 RM'000
Revenue	57,782	252,737	87,634	287,701
Operating expenses	(52,016)	(166,350)	(79,988)	(197,957)
Other operating income	703	975	1,297	1,831
Profit from operations	6,469	87,362	8,943	91,575
Finance cost	(135)	(1,640)	(471)	(3,450)
Profit before taxation	6,334	85,722	8,472	88,125
Taxation	(2,970)	(22,294)	(3,706)	(22,916)
Profit for the financial period	3,364	63,428	4,766	65,209
Profit for the period:				
- Continuing operations	3,361	63,346	4,776	65,145
- Discontinued operation	3	82	(10)	64
	3,364	63,428	4,766	65,209
Attributable to:				
Owners of the Company	3,353	63,411	4,772	65,200
Non-controlling interest	11	17	(6)	9
	3,364	63,428	4,766	65,209
Basic earning per ordinary share (sen)	1.22	23.14	1.74	23.79
Fully diluted earnings per share (sen)	-	-	-	-

(The Condensed Consolidated Comprehensive Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)

**A3. CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS  
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2011**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Unaudited CURRENT QUARTER 31.12.2011 RM'000	Unaudited PRECEDING YEAR CORRESPONDING QUARTER 31.12.2010 RM'000	Unaudited CURRENT YEAR TODATE 31.12.2011 RM'000	Unaudited PRECEDING YEAR CORRESPONDING PERIOD 31.12.2010 RM'000
Profit for the year	3,364	63,428	4,766	65,209
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>3,364</b>	<b>63,428</b>	<b>4,766</b>	<b>65,209</b>
Total comprehensive income attributable to:				
Equity holders of the Company	3,353	63,411	4,772	65,200
Minority interests	11	17	(6)	9
	<b>3,364</b>	<b>63,428</b>	<b>4,766</b>	<b>65,209</b>

(The Condensed Consolidated Comprehensive Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)



**A4. CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE 2ND QUARTER ENDED 31 DECEMBER 2011**

	Non-Distributable		Distributable Accumulated (losses)/Retained Profits RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000				
<u>2nd Quarter Ended 31 December 2011</u> (Unaudited)						
As at 1 July 2011	274,014	-	63,745	337,759	3,554	341,313
Total comprehensive income for the period	-	-	4,772	4,772	(6)	4,766
Dividend	-	-	-	-	-	-
As at 31 December 2011	274,014	-	68,517	342,531	3,548	346,079
<u>Preceding Financial Year Ended 30 June 2011</u> (Audited)						
As at 1 July 2010	274,014	-	(3,602)	270,412	3,604	274,016
Net profit for the financial year	-	-	68,717	68,717	(50)	68,667
Dividend	-	-	(1,370)	(1,370)	-	(1,370)
As at 30 June 2011	274,014	-	63,745	337,759	3,554	341,313

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)



**A5. CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR 2ND QUARTER ENDED 31 DECEMBER 2011**

	Unaudited CUMULATIVE CURRENT PERIOD TODATE ENDED 31.12.2011 RM'000	Audited PRECEDING FINANCIAL YEAR ENDED 30.06.2011 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	8,472	93,064
Adjustments for :		
Non-cash items	734	17,509
Non-operating items	(70)	6,054
Operating profit before working capital changes	<u>9,136</u>	<u>116,627</u>
Net changes in current assets	99,901	28,371
Net changes in current liabilities	(1,881)	(7,190)
Cash generated from operations	<u>107,156</u>	<u>137,808</u>
Interest paid	(471)	(6,990)
Interest received	447	346
Taxation paid	(10,844)	(22,355)
Net cash generated from operating activities	<u>96,288</u>	<u>108,809</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Changes in land held for property development	4,892	(30,965)
Others	14	1,952
Net cash generated from/(used in) investing activities	<u>4,906</u>	<u>(29,013)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings	(80,871)	(60,446)
Dividend paid	-	(1,370)
Fixed deposits placed as security for bank borrowings	-	6,457
ICJLS interest paid	-	(1,729)
Net cash used in financing activities	<u>(80,871)</u>	<u>(57,088)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD</b>	<b>20,323</b>	<b>22,708</b>



CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	27,252	4,544
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>47,575</u>	<u>27,252</u>

Note: Cash and cash equivalents at end of financial period comprise :-

Cash and bank balances	7,478	4,588
Fixed deposits	42,132	24,699
	<u>49,610</u>	<u>29,287</u>
Fixed deposits not available for use	(2,035)	(2,035)
	<u>47,575</u>	<u>27,252</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011)



**Notes to the Interim Financial Report (Unaudited)**

For the Financial Quarter Ended 31 December 2011

**B1. Basis of Preparation and Accounting Policies**

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for year ended 30 June 2011 save for the adoption of revised / new Financial Reporting Standards and other interpretations that are effective for the financial statement commencing 1 July 2011 .

The Financial Reporting Standards which are effective from 1 July 2011 and applicable to the Group are as follows: -

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards

- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Additional Exemptions for First-time Adopters

Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions

Amendments to FRS 7: Improving Disclosures about Financial Instruments

Amendments to FRS 134: Interim Financial Reporting

Amendments of FRS 139: Financial Instruments: Recognition and Measurement

IC Interpretation 4: Determining whether an Agreement contains a Lease

IC Interpretation 18: Transfer of Assets from Customers

Amendments to IC Interpretation 13: Customer Loyalty Programmes





Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement  
IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

The revised / new standards have no significant impact on the Group's financial position and results.

**B2. Audit Qualification**

The audit report on the latest annual financial statement was not subject to any audit qualification.

**B3. Seasonal or Cyclical Factors**

The operations of the Group during the period under review have not been materially affected by any seasonal or cyclical factors.

**B4. Unusual Items**

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

**B5. Changes in Estimates**

There were no changes in estimates relating to the accounts reported in the previous financial year that have a material effect in the current quarter.

**B6. Debt and Equity Securities**

There were no significant changes in the debt and equity securities of the Company and the Group during the quarter.

**B7. Profit Before Taxation**

This is arrived at after charging/(crediting):

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Unaudited Current Quarter	Unaudited Preceding Year Correspondence Quarter	Unaudited Current Year ToDate	Unaudited Preceding Year corresponding period
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	RM'000	RM'000	RM'000	RM'000
a Interest income	298	38	447	38
b Other income including investment income	-	-	-	-
c Depreciation	237	234	470	627
d Provision for and write off of receivables	-	-	-	-
e Provision for and write off of inventories	-	-	-	-
f Gain or loss on disposal of quoted or unquoted investment or properties	-	-	-	-
g Impairment of assets	3,407	-	3,407	3,809
h Foreign exchange gain or loss	-	-	-	-
i Gain or loss on derivatives	-	-	-	-
j Exceptional items	-	-	-	-

**B8. Dividend Paid**

The Company did not pay any dividend during the quarter under review.

**B9. Property, Plant and Equipment**

There were no revaluation of land and building since the completion of the proposed restructuring scheme of Hotline Furniture Berhad on 27 April 2004.



## B10. Segmental Information

### 1. Results for 6 months ended 31 December 2011

	Management & Investment	Construction	Property Development	Manufacturing & Trading	Eliminations	Discontinued Operations	Consol
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>REVENUE</b>							
External revenue	-	942	76,739	9,953	-	-	87,634
Inter-segment revenue	3,573	36,035	-	495	(40,103)	-	-
	3,573	36,977	76,739	10,448	(40,103)	-	87,634
<b>RESULTS</b>							
Profit/(Loss) before tax	(6)	434	7,643	411	-	(10)	8,472
Taxation	(306)	(179)	(3,128)	(93)	-	-	(3,706)
Profit/(Loss) after tax	(312)	255	4,515	318	-	(10)	4,766

### 2. Results for 6 months ended 31 December 2010

	Management & Investment	Construction	Property Development	Manufacturing & Trading	Eliminations	Discontinued Operations	Consol
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>REVENUE</b>							
External revenue	-	3,814	278,892	4,963	-	32	287,701
Inter-segment revenue	3,612	21,878	-	173	(25,663)	-	-
	3,612	25,692	278,892	5,136	(25,663)	32	287,701
<b>RESULTS</b>							
Profit/(Loss) before tax	(451)	(137)	88,227	422	-	64	88,125
Taxation	(10)	(22)	(22,785)	(99)	-	-	(22,916)
Profit/(Loss) after tax	(461)	(159)	65,442	323	-	64	65,209



## 3. Results for 3 months ended 31 December 2011

	Management & Investment	Construction	Property Development	Manufacturing & Trading	Eliminations	Discontinued Operations	Consol
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>REVENUE</b>							
External revenue	-	226	52,478	5,038	-	-	57,782
Inter-segment revenue	1,871	20,731	-	185	(22,787)	-	-
	1,871	20,997	52,478	5,223	(22,787)	-	57,782
<b>RESULTS</b>							
Profit/(Loss) before tax	(26)	186	5,991	180	-	3	6,334
Taxation	(283)	(76)	(2,573)	(38)	-	-	(2,970)
Profit/(Loss) after tax	(309)	110	3,418	142	-	3	3,364

## 4. Results for 3 months ended 30 September 2011

	Management & Investment	Construction	Property Development	Manufacturing & Trading	Eliminations	Discontinued Operations	Consol
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>REVENUE</b>							
External revenue	-	676	24,261	4,915	-	-	29,852
Inter-segment revenue	1,702	15,304	-	310	(17,316)	-	-
	1,702	15,980	24,261	5,225	(17,316)	-	29,852
<b>RESULTS</b>							
Profit/(Loss) before tax	20	248	1,652	231	-	(13)	2,138
Taxation	(23)	(103)	(555)	(55)	-	-	(736)
Profit/(Loss) after tax	(3)	145	1,097	176	-	(13)	1,402



The activities of the Group during the quarter were carried out in Malaysia, as such there is no segmental reporting by geographical location.

**B11. Events Subsequent to the Balance Sheet Date.**

There were no material subsequent events arising from the end interim period to the date of this report.

**B12. Changes in Composition of the Group**

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructuring and discontinued operations for the current period to-date.

**B13. Contingent Liabilities and Contingent Assets**

The contingent liabilities of the Company as at the date of this report are in the form of Corporate Guarantee issued in favour of the local authorities and suppliers for the purpose of development and for securing banking facilities from financial institution amounting to RM0.951 million. There were no contingent assets as at the date of this report.

**B14. Capital Commitments**

There is no capital commitment for the quarter under review.



**C. Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements (Part A of Appendix 9B)**

**CI. Review of Performance**

During the period under review, the Group has recorded revenue and profit after tax of RM87.63 million and RM4.77 million respectively as compared to RM287.70 million and RM65.21 million recorded in the previous corresponding period.

The property division remained as the major contributor for the Group. Property Division has generated RM76.74 million and RM4.52 million which represents 87.6% and 94.7% respectively of the total revenue and profit after tax of the Group for the current period under reviewed. However, the property division has recorded a lower revenue and profit after tax as compared to the previous correspondence period. This is mainly due to the completion of disposal of certain parcel of development lands in Taman Damai Utama, Kinrara Puchong in the previous corresponding period.

The revenue and profit after tax of the property division in current period are mainly contributed by the on-going development projects, such as, D’ Infiniti comprise of 118 units of superlink house, D’ Exotica comprise of 146 units of double storey and Damai Gayana, semi detached and bungalow house project in Bandar Damai Perdana, Cheras; and Taman Alam Indah comprises of 125 units double storey link house in Section 33, Shah Alam .

The construction and manufacturing and trading divisions continue to compliment the activities of the property division. The activities of the construction and manufacturing and trading divisions have increased as compared to the previous corresponding period which is in tandem with the increased in activities in the property division.



## **C2. Comparison with Preceding Quarter's Results**

The Group recorded a revenue of RM57.78 million and profit after tax of RM3.36 million as compared to RM29.85 million and RM1.40 million respectively recorded in the preceding quarter.

Property division has generated RM52.48 million and RM3.42 million of the revenue and profit after tax for the current quarter under review as compared to RM24.26 million and RM1.09 million respectively recorded in the previous quarter.

The improved performance of the property division in current quarter results are mainly contributed by the development projects in Bandar Damai Perdana, Cheras namely D' Infiniti comprise of 118 units of superlink house, D' Exotica comprise of 146 units of double storey and Damai Gayana, semi detached and bungalow house project and Taman Alam Indah project in Shah Alam.

Manufacturing and trading division has generated RM5.04 million and RM0.14 million of the Group revenue and profit after tax, whereas, construction division recorded revenue of RM20.99 million and profit after tax of RM0.11 million. The lower profit after tax of these divisions for the current quarter under review is mainly due to higher operating expenses incurred.

## **C3. Prospects**

Moving forward, the prolonged global uncertainties may derail the local economic growth and market confidence. Scarcity and rising of land cost in preferred locations and dependence on support from financial institutions for end financing activities are added pressure to the property market.



Against the backdrop of the current operating environment, the Group will continue to strive to sustain its profitability by unlocking the value of the existing land bank.

#### C4. Profit Forecast and Profit Guarantee

The Company has not issued any profit forecast to the public and has not given any profit guarantee for the year.

#### C5. Taxation

Taxation comprises of the followings:-

	Current Quarter Ended 31.12.2011 RM'000	Financial Year To-date Ended 31.12.2011 RM'000
Current year taxation	2,850	3,866
Transfer to deferred taxation	(89)	(369)
	<hr/> 2,761	<hr/> 3,497
Under provision in prior year	209	209
	<hr/> 2,970	<hr/> 3,706

The effective tax rate of the Group for the financial year to-date is higher than the statutory tax rate. This was mainly due to certain expenses being not allowable as tax deductions and that no group relief was available in respect of losses incurred by companies within the Group.

#### C6. Status of Corporate Proposal

- i) The proposed establishment of an employees' share option scheme ("ESOS") of up to fifteen per centum (15%) of the issued and paid-up share capital of Mahajaya has been approved by the shareholders in the extraordinary general meeting on 20 December 2006 and by Bursa Securities on 8 January 2007. The Company has extended the ESOS which





is expired on 8 January 2010 for further period of seven years until 7 January 2017. The Company has yet to grant the options to any eligible directors and employees.

- ii) On 9 February 2012, the Company has received a notice of take-over offer by Waiban Corporation Sdn Bhd, Rancangan Impian Sdn Bhd, Mr. Tan Ming Wai and Mr. Tan Ming Ban ("the Joint Offerors") to acquire all the remaining ordinary shares of RM1.00 per share not already owned by the Joint Offerors at a cash consideration of RM0.85 per share ("the Offer"). The Company has dispatched the Notification to the shareholders in relation to the Offer on 16 February 2012.

#### C7. Borrowings and Debt Securities

	Secured RM '000	Unsecured RM '000	Total RM '000
(a) <b><u>Short Term</u></b>			
Term Loans	606	-	606
Hire Purchase	431	-	431
	<u>1,037</u>	<u>-</u>	<u>1,037</u>
	Secured RM '000	Unsecured RM '000	Total RM '000
(b) <b><u>Long Term</u></b>			
Term Loans	2,225	-	2,225
Hire Purchase	473	-	473
	<u>2,698</u>	<u>-</u>	<u>2,698</u>
Total	<u>3,735</u>	<u>-</u>	<u>3,735</u>



**C8. Material Litigation**

- 1) A Writ of Summons and Statement of Claim have been filed by Ahmad Bin Abd. Kadir @ Mohamed Bin Kadir & 21 others (collectively, the "Plaintiffs") in the Malacca High Court vide Civil Suit No. 22-110-1999 against Mahajaya Property Sdn Bhd (the "Defendant") claiming, inter alia, the following:-
  - (a) The Defendant to apply for the subdivision of the land held under Advance Certificate of Title Holding No. 1311 for Lots 4384 and 4385, Mukim Sungei Baru Ilir, Daerah Alor Gajah, Negeri Melaka (the "Land") by the Plaintiffs as the registered proprietors;
  - (b) The Defendant to discharge the charge of the Land (which was charged to Malaysia Building Society Bhd ("MBSB") on 2 October 1996 as security for a loan of RM3,511,000.00 granted by MBSB to the Defendant);
  - (c) The Defendant to transfer the titles to the 56 residential units (collectively, the "56 Units") to be constructed on the Land by the Defendant to the Plaintiffs;
  - (d) The Defendant to pay damages to the Plaintiffs; and
  - (e) The Defendant to pay liquidated ascertained damages to the Plaintiffs for late delivery of the 56 Units to the Plaintiffs from 16 June 1997 until the date of actual delivery of the 56 Units.

By a sale and purchase agreement dated 5 March 1993 (the "SPA") made between the Plaintiffs and the Defendant, the Plaintiffs have agreed to sell the Land to the Defendant for RM1,023,660.00 (the "Purchase Price") for purposes of developing the same into a housing estate.

The Defendant has paid a sum of RM12,660.00 to the Plaintiffs as deposit and part payment towards account of the Purchase Price, leaving a balance of RM1,011,000.00 (the "Balance Purchase Price").

It has been agreed in the SPA that the Balance Purchase Price shall be deemed set-off and paid against the Plaintiffs' election to accept the 56 Units which were to be constructed on the Land by the Defendant.

By a Buy Back Agreement dated 5 March 1993 (the "Buy Back Agreement") made between the Defendant and the Plaintiffs, the Defendant has agreed to sell the 56 Units to the Plaintiffs.

On 8 August 1996, the Plaintiffs transferred the Land to the Defendant.



This matter was brought by the Plaintiffs due to the Defendant's failure to, inter alia, apply for the subdivision of the Land and to deliver the individual titles to the 56 Units to the Plaintiffs free from encumbrances within the time frame stipulated in the Buy Back Agreement.

On 17 December 1999, both the Plaintiffs and the Defendant have recorded a Consent Order that, inter alia, the Defendant shall transfer 45 residential units (the "45 Units") to the Plaintiffs.

The remaining 11 units (the "Trustee Units") are held by the Defendant on trust for the Plaintiffs until the Plaintiffs have fully settled a sum of RM486,750.00 to the Plaintiffs, which sum has yet to be settled by the Plaintiffs.

The Defendant has to-date transferred a total of 35 units to the Plaintiffs out of the 45 Units.

The remaining 10 units have yet to be transferred to the Plaintiffs. This is because they are corner lots whereby there are differential sums to be settled by the Plaintiffs before transfers can be effected in their favour, which sums have yet to be settled by the Plaintiffs.

- 2) Four (4) separate letters of demand dated 19 July 2001 had been served on Jiwa Property Sdn. Bhd. ("JPSB") by Chye Wong Boon and Lee Yek Khim (collectively, the "Claimants") claiming:-
  - (a) damages in relation to the defects in respect of four (4) units of factories known as SD-043-PT37406 ("Unit 1"), unit SD-044-PT37407 ("Unit 2"), unit SD-055-PT37418 ("Unit 3") and unit SD-056-PT37419 ("Unit 4") purchased by the Claimants from JPSB (collectively, the "Units"), economic loss, liquidated ascertained damages for the late delivery of the Units to the Claimants and loss of profits as follows:-
    - (i) a sum of RM810,623.68 in relation to Unit 1;
    - (ii) a sum of RM682,737.05 in relation to Unit 2;
    - (iii) a sum of RM831,614.47 in relation to Unit 3; and
    - (iv) a sum of RM682,737.05 in relation to Unit 4; or
  - (b) alternatively, damages for rescinding the sale and purchase agreements made between JPSB and the Claimants for the acquisition of the Units by the Claimants as follows:-
    - (i) a sum of RM774,796.40 in relation to Unit 1;
    - (ii) a sum of RM590,042.79 in relation to Unit 2;



- (iii) a sum of RM805,182.17 in relation to Unit 3; and
- (iv) a sum of RM590,042.79 in relation to Unit 4.

On 7 February 2002, JPSB counter-offered to settle at RM5,000.00 per Unit and to reinstate the electrical wiring of the Units. The Claimants did not indicate their acceptance or rejection of the settlement and no further action was taken by either party until early December 2007 when JPSB was served with four (4) separate Summonses and Statements of Claim which have all been filed by the Claimants in Johor Bahru Sessions Court on 2 December 2005 vide the following:-

- (i) Summons No. S1-52-8219-2005 for Unit 1.
- (ii) Summons No. S4-52-8217A-2005 for Unit 2;
- (iii) Summons No. S1-52-8218-2005 for Unit 3; and
- (iv) Summons No. S4-52-8217-2005 for Unit 4;

The Claimants, vide the said Summonses and Statements of Claims, are claiming the following as liquidated ascertained damages for alleged late delivery of the said units, damages for alleged defects and costs:-

- (i) With regard to Unit 1, a sum of RM109,618.68;
- (ii) With regard to Unit 2, a sum of RM78,337.05;
- (iii) With regard to Unit 3, a sum of RM114,754.47; and
- (iv) With regard to Unit 4, a sum of RM78,337.05.

JPSB has subsequently filed four (4) separate Defences all dated 5 February 2007 against the aforesaid matters. The solicitors acting for JPSB are of the opinion that JPSB has a good defence against each of the above matters based on the following:-

- (i) There is no late delivery of the Units. JPSB has delivered vacant possession of each of the Units to the Claimants within the time frame stipulated in the sale and purchase agreements.
- (ii) JPSB has rectified all defects within the defect liability period of each of the Units.
- (iii) The lists of the alleged defects were submitted by the Claimants to JPSB after the expiry of the defect liability period of each of the Units.

JPSB has filed its application for consolidating the above matters under Order 8 Rule 18 of the Subordinate Courts Rules, 1980 and was granted an order by the Court in terms of the said application for consolidation on 4 July 2007.



On the mention date on 18 December 2007, the Court has transferred the files for Summonses Nos S1-52-8218-2005 and S1-52-8219-2005 to Johor Bahru Sessions Court 4 and the matter is fixed for mention on 17 March 2008 pending filing of reply by the Claimants to JPSB's Defences all dated 5 February 2007.

The matter was fixed for pre-trial case management on 1 June 2010 and for trial on 7 July 2010 and 8 July 2010.

The Court has fixed for Decision on 1 September 2010 and on even date, the Court has dismissed the Plaintiffs' claims. The Plaintiffs have filed an application of appeal against the Court's decision, however, the Court has dismissed the plaintiffs' appeal on 14 June 2011.

The Plaintiffs have filed the Application of Leave to file appeal to the Court of Appeal and the application is fixed for hearing on 28 October 2011. On 28 October 2011, the Court of Appeal has granted the said application to the Plaintiffs and the application must be filed within two weeks from 28 October 2011. The Plaintiffs have file the application, however, the Court has yet to fix the hearing date.

**C12. Dividend**

The Directors have not recommended any dividend for the quarter under review.



## C13. Earnings Per Share

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Unaudited Current Quarter	Unaudited Preceding Year Correspondence Quarter	Unaudited Current Year To date	Unaudited Preceding Year corresponding period
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	RM'000	RM'000	RM'000	RM'000
(i) Basic earning per share				
Net profit attributable to shareholders	3,353	63,411	4,772	65,200
(ii) Weighted average number of ordinary shares	274,014	274,014	274,014	274,014
(a) Basic earning per share (sen)	1.22	23.14	1.74	23.79
(b) Diluted earning per share (sen)	-	-	-	-

The diluted earning per share was not presented as there were no potential ordinary shares outstanding.

## C14. Realised and Unrealised Profits

	CUMULATIVE PERIOD	
	Unaudited Current Financial Period	Audited Preceding Financial Year Ended
	31.12.2011	30.6.2011
	RM'000	RM'000
<b>Retained Profits</b>		
Realised	68,517	63,745
Unrealised	-	-
	68,517	63,745