V NOTES

1 BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with the Financial Reporting Standards (FRS) 134, 'Interim Financial Reporting' issued by the Malaysian Accounting Standards Board ('MASB') and paragraph 9.22 of the Listing Requirements of Bursa Securities Malaysia Berhad and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2005.

The MASB has issued a total of 21 new and amended Financial Reporting Standards and other Interpretations (herein thereafter referred as FRSs). A total of 18 FRSs will be effective for financial statements commencing 1 January 2006, a further 2 FRSs will only be effective for financial statements commencing 1 October 2006 while the remaining 1 FRS will only be effective at a later date to be announced by the MASB.

The Group's consolidated financial statements for year ended 31 December 2005 were prepared with MASB standards with effective dates before 1 January 2006. Certain comparative figures in respect of 2005 have therefore been restated to reflect the relevant adjustments following the introduction of the effective FRSs.

The adoption of the FRSs has resulted in changes to the Group's accounting policies in the following area that have a material impact on the amounts reported for the current or prior periods:

FRS 140: Investment Property

The adoption of this new FRS has resulted in a change in accounting policy for investment properties. Investment properties are now stated at cost less accumulated depreciation and any impairment losses. Prior to 1 January 2006, investment properties were stated at cost less any impairment losses and were not subject to any depreciation. The effect of the change in policy has been applied retrospectively by adjustment against opening accumulated losses as at 1 January 2006.

2 AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audited report of the preceding year annual financial statements was not qualified.

3 SEASONAL OR CYCLICAL FACTORS

The business of the Group is generally not subject to seasonal changes.

4 EXCEPTIONAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the current financial quarter. The exceptional item pertaining to the corresponding quarter relates to gain on disposal of assets involved in the ready-mixed concrete business.

5 CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current financial period results.

6 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt and equity securities during the financial period ended 31 March 2006.

7 PAYMENT OF DIVIDEND

No dividends were paid during the financial period ended 31 March 2006.

8. SEGMENTAL REPORTING

	3 months ended 31-Mar-2006 RM'000	**3 months ended 31-Mar-2005** RM'000
Segment Revenue		
Manufacturing	-	16,677
Property	828	927
Group Revenue	**828**	**17,604**
Segment Results		
Manufacturing	(43)	(545)
Property	98	(98)
Profit/(Loss) from operations	**55**	**(643)**

Segmental information relating to geographical areas of operations has not been presented as the Group operates in Malaysia.

9 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of property, plant and equipment is at cost less accumulated depreciation and impairment losses.

10 SUBSEQUENT EVENTS

The material event subsequent to the end of the financial period ended 31 March 2006 is disclosed in note 20(ii).

11 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 31 March 2006.

12 CONTINGENT LIABILITIES / CAPITAL COMMITMENTS

There are no material contingent liabilities and capital commitments as at the date of this report.

13 REVIEW OF PERFORMANCE

For the quarter ended 31 March 2006, the Group recorded a loss of RM129,000 on the back of a revenue of RM828,000. The Group focused on its property business following the discontinuance of its ready mixed concrete business in March 2005. Raintree Terrace, a serviced apartment, performed to expectations. However, demand for property at Taman Desa Aman, a mixed development project, was sluggish.

14 COMPARISON WITH PRECEDING QUARTER'S REPORT

The Group recorded a loss of RM129,000 for the quarter ended 31 March 2006 as compared to a loss of RM2.994 million for the preceding quarter. The loss for the preceding quarter included a provision of RM2.627 million for impairment loss on properties.

15 CURRENT YEAR PROSPECTS

The proposed acquisition of Bukit Punchor Development Sdn Bhd (as mentioned in Note 20(ii)) is expected to contribute immediately to the Group's earnings when it is completed in the third quarter of 2006. At the same time, the Company will continue to seek viable property projects.

16 VARIANCE FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable as there was no profit forecast or profit guarantee issued.

17 TAXATION

	3 months ended 31-Mar-2006	3 months ended 31-Mar-2005
	RM'000	RM'000
Malaysian tax expense for the year		
Income tax		
- current year	(10)	(1)
Reversal of deferred tax	20	-
	10	**(1)**

18 SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sale of unquoted investments and properties (not in the ordinary course of business of the Group) during the current financial period.

19 PURCHASES AND DISPOSAL OF QUOTED SECURITIES

(a) There were no purchases and disposal of quoted securities during the current financial period; and

(b) There were no investments in quoted securities as at the end of the current financial period.

20 STATUS OF CORPORATE PROPOSALS

(i) On 15 March 2005 and following the disposal of the Company's ready-mixed concrete business which contributed 70% or more of the Group's revenue, the Company had announced that it is an affected listed issuer pursuant to Paragraph 8.14C and Practice Note 17/2005 of the Listing Requirements. The Company had on 27 February 2006 submitted an application to Bursa Malaysia Securities Berhad for the upliftment of its PN17/2005 classification.

(ii) On 28 April 2006, the Company had announced that it has entered into a conditional Share Sale Agreement with Bukit Punchor Holdings Sdn Bhd ('BPHSB') for the acquisition of 70% of equity interest owned by BPHSB in Bukit Punchor Development Sdn Bhd ('BPDSB') for a purchase consideration of RM882,000 and the settlement of an indicative amount of RM12,912,000 owing by BPDSB to BPHSB. BPHSB and Mulpha Land Berhad ('MLB') are subsidiaries of Mulpha International Bhd. The proposed acquisition is subject to the approval of the Foreign Investment Committee and the shareholders of MLB.

21 STATUS OF UTILISATION OF PROCEEDS FROM RIGHTS ISSUE OF NON-CUMULATIVE IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES

The cash proceeds of RM15,415,500 arising from the Company's rights issue of 30,831,000 4% Non-Cumulative Irredeemable Convertible Preference Shares of RM1.00 each have been utilized as follows:-

	Approved utilisation RM'000	Utilised up to 31 Mar 2006 RM'000	Balance pending utilisation RM'000
Financing for construction costs of Desa Aman project	10,007	771	9,236
Repayment of borrowings and working capital purposes	5,058	1,679	3,379
Defray expenses of rights issue	350	350	-
	15,415	2,800	12,615

22 BANK BORROWINGS

The bank borrowings as at 31 March 2006 are as follows:-

			RM'000
Long term	-	Secured	12,000

23 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have financial instruments with off balance sheet risks as at the date of this report.

24 CHANGES IN MATERIAL LITIGATION

Neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration, either as plaintiff or defendant as at the date of this report, which would have a material effect on the financial position of the Group.

25 DIVIDENDS

The Directors do not recommend any dividend for the current financial period ended 31 March 2006.

26 EARNINGS/LOSS PER SHARE

The basic earnings/loss per share for the period ended 31 March 2006 is calculated based on the net loss of RM128,000 (2005: net profit of RM5,897,000) and on the weighted average number of 60,490,000 (2005: 60,490,000) ordinary shares of RM1.00 each in issue.

The effect on the basic earnings/loss per share for the current financial period arising from the assumed conversion of the warrants and Irredeemable convertible preference shares are anti-dilutive. Accordingly, the diluted earnings/loss per share for the current period is presented as equal to basic earnings/loss per share.

BY ORDER OF THE BOARD

Ng Seng Nam
Company Secretary
25 May 2006