



MAH SING GROUP BERHAD

Company No.: 230149-P

(Incorporated in Malaysia)

Interim Financial Report

31 March 2011

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Interim Financial Report - 31 March 2011

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MAH SING GROUP BERHAD

(Company No.: 230149-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**As at 31 March 2011***(The figures have not been audited)*

	AS AT 31/3/2011 RM'000	(AUDITED) AS AT 31/12/2010 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	64,837	66,070
Prepaid lease payments	3,033	3,149
Investment properties	30,609	30,609
Land held for property development	62,889	62,889
Intangible assets	70	70
Deferred tax assets	9,084	6,864
	<u>170,522</u>	<u>169,651</u>
Current Assets		
Property development costs	1,399,076	1,194,326
Inventories	33,654	33,183
Trade and other receivables	414,525	426,083
Current tax assets	6,743	5,853
Deposits, cash and bank balances	275,468	308,647
	<u>2,129,466</u>	<u>1,968,092</u>
TOTAL ASSETS	<u>2,299,988</u>	<u>2,137,743</u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	415,784	415,784
Share premium	130,752	130,752
Other reserves	(2,024)	(3,220)
Retained earnings	416,718	375,550
	<u>961,230</u>	<u>918,866</u>
Non-controlling interests	<u>18,419</u>	<u>17,590</u>
Total Equity	<u>979,649</u>	<u>936,456</u>
Non-current Liabilities		
Term loans	403,117	368,531
Long term and deferred payables	3,805	4,191
Deferred tax liabilities	1,838	1,838
	<u>408,760</u>	<u>374,560</u>
Current Liabilities		
Trade and other payables	706,674	670,908
Term loans	115,001	73,019
Short term borrowings	63,780	61,670
Bank overdrafts	-	74
Current tax liabilities	26,124	21,056
	<u>911,579</u>	<u>826,727</u>
Total Liabilities	<u>1,320,339</u>	<u>1,201,287</u>
TOTAL EQUITY AND LIABILITIES	<u>2,299,988</u>	<u>2,137,743</u>
Net assets per share attributable to equity holders of the Company(RM)	<u>1.16</u>	<u>1.10</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 2010 and the accompanying explanatory notes attached to the interim financial report.

Mah Sing Group Berhad

(Company No.: 230149-P)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the financial period ended 31 March 2011

(The figures have not been audited)

	3 months ended		Period ended	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
	RM'000	RM'000	RM'000	RM'000
Revenue	311,755	238,312	311,755	238,312
Cost of sales	(221,003)	(167,769)	(221,003)	(167,769)
Gross profit	90,752	70,543	90,752	70,543
Other income	419	359	419	359
Selling and marketing expenses	(8,101)	(6,490)	(8,101)	(6,490)
Administrative expenses	(18,820)	(13,748)	(18,820)	(13,748)
Other operating expenses	(5,924)	(8,562)	(5,924)	(8,562)
Interest income	149	125	149	125
Finance costs	(286)	(514)	(286)	(514)
Profit before taxation	58,189	41,713	58,189	41,713
Income tax expense	(16,285)	(10,084)	(16,285)	(10,084)
Profit For The Period	41,904	31,629	41,904	31,629
Profit attributable to:				
Equity holders of the Company	41,168	27,884	41,168	27,884
Non-controlling interests	736	3,745	736	3,745
	41,904	31,629	41,904	31,629
Earnings per share attributable to equity holders of the Company:				
- Basic (sen) Note B14	4.95	3.35	4.95	3.35
- Diluted (sen) Note B14	4.85	3.35	4.85	3.35

The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 31 March 2011

(The figures have not been audited)

	3 months ended		Period ended	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
	RM'000	RM'000	RM'000	RM'000
Profit For The Period	41,904	31,629	41,904	31,629
Foreign currency translation difference for foreign operations	(1,175)	(5,870)	(1,175)	(5,870)
Total comprehensive income for the period	<u>40,729</u>	<u>25,759</u>	<u>40,729</u>	<u>25,759</u>
Total comprehensive income attributable to:				
Equity holders of the Company	39,900	22,324	39,900	22,324
Non-controlling interests	829	3,435	829	3,435
	<u>40,729</u>	<u>25,759</u>	<u>40,729</u>	<u>25,759</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 31 March 2011
(The figures have not been audited)

	Attributable to equity holders of the Company							Non-controlling Interests	Total Equity
	Non-Distributable			Distributable					
	Share capital	Share premium	Equity-settled employees benefit reserve	Exchange fluctuation reserve	Retained earnings	Total			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
3 months ended 31 March 2011									
Balance at 1/1/2011	415,784	130,752	1,002	(4,222)	375,550	918,866	17,590	936,456	
Amount recognised directly in equity:									
Foreign exchange fluctuation	-	-	-	(1,268)	-	(1,268)	93	(1,175)	
Profit for the financial period	-	-	-	-	41,168	41,168	736	41,904	
Total comprehensive income for the period	-	-	-	(1,268)	41,168	39,900	829	40,729	
Options granted under ESOS	-	-	2,464	-	-	2,464	-	2,464	
Balance at 31/3/2011	415,784	130,752	3,466	(5,490)	416,718	961,230	18,419	979,649	

	Attributable to equity holders of the Company							Non-controlling Interests	Total Equity
	Non-Distributable			Distributable					
	Share capital	Share premium	Equity-settled employees benefit reserve	Exchange fluctuation reserve	Retained earnings	Total			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
3 months ended 31 March 2010									
Balance at 1/1/2010	346,487	200,369	22	4,762	294,054	845,694	7,774	853,468	
Effect of first adoption of FRS 139 - net impact arising from initial measurement of Other Financial Liability and Loans & Receivables at fair value less transaction costs	-	-	-	-	1,812	1,812	299	2,111	
Balance at 1/1/2010 (restated)	346,487	200,369	22	4,762	295,866	847,506	8,073	855,579	
Amount recognised directly in equity:									
Foreign exchange fluctuation	-	-	-	(5,560)	-	(5,560)	(310)	(5,870)	
Profit for the financial period	-	-	-	-	27,884	27,884	3,745	31,629	
Total comprehensive income for the period	-	-	-	(5,560)	27,884	22,324	3,435	25,759	
Expenses set off against share premium	-	(31)	-	-	-	(31)	-	(31)	
Balance at 31/3/2010	346,487	200,338	22	(798)	323,750	869,799	11,508	881,307	

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 2010 and the accompanying explanatory notes attached to the interim financial report.

MAH SING GROUP BERHAD
(Company No.: 230149-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the financial period ended 31 March 2011

(The figures have not been audited)

	3 months ended 31/3/2011 RM'000	3 months ended 31/3/2010 RM'000
Net cash used in operating activities	(108,973)	(214,740)
Net cash used in investing activities	(1,529)	(3,625)
Net cash from financing activities	136,520	33,460
Net decrease in cash and cash equivalents	26,018	(184,905)
Effects of exchange rate changes	(959)	(4,773)
Cash and cash equivalents at beginning of financial period	246,479	356,564
Cash and cash equivalents at end of financial period	271,538	166,886

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31/3/2011 RM'000	As at 31/3/2010 RM'000
Deposits with licensed banks	171,537	38,683
Cash and bank balances	103,931	130,383
Bank overdrafts	-	(2,013)
	275,468	167,053
Less: Deposits deposited in Escrow Account	(3,930)	(167)
	271,538	166,886

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial report.

A Explanatory Notes

A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") No. 134 : Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2010. The explanatory notes attached to the interim financial report provides 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 31 December 2010.

The significant accounting policies and methods of computation adopted for the interim financial report is consistent with those adopted for the audited financial statements for the financial year ended 31 December 2010 save for the adoption of the following:

FRS 3 (revised)	Business combinations
FRS 127 (revised)	Consolidated and separate financial statements
Amendment to FRS 1	First-time adoption of financial reporting standards
Amendment to FRS 2	Share-based Payment
Amendment to FRS 7	Financial Instruments: Disclosure
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 138	Intangible assets
IC Interpretation 4	Determining whether an arrangement contains a lease
IC Interpretation 9	Reassessment of embedded derivatives
IC Interpretation 14	Interim financial reporting and impairment

The adoption of the above revised FRSs, amendments to FRSs and Interpretations does not have any material impact on the financial statements of the Group.

A2 Seasonal or cyclical factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors during the financial period under review.

A3 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

A4 Changes in estimates

There were no material changes in estimates for the financial period under review.

A5 Debt and equity securities

For the financial period under review, there were no issuance and repayment of debt and equity securities, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares.

A6 Dividends paid

No dividend was paid in the current financial period under review.

A7 Segment reporting

Period ended 31 March 2011

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	262,395	49,003	357	-	311,755
Inter-segment	-	-	16,080	(16,080)	-
Total revenue	262,395	49,003	16,437	(16,080)	311,755
RESULTS					
Operating profit	57,275	5,528	9,348	(13,825)	58,326
Interest income					149
Finance costs					(286)
Income tax					(16,285)
Profit for the period					41,904
OTHER INFORMATION					
Capital expenditure	326	1,155	52	-	1,533
Depreciation and amortisation	526	1,915	24	-	2,465

Period ended 31 March 2010

	Properties RM'000	Plastics RM'000	Investment Holding & Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE					
External revenue	195,903	41,820	589	-	238,312
Inter-segment	-	-	558	(558)	-
Total revenue	195,903	41,820	1,147	(558)	238,312
RESULTS					
Operating profit	41,376	3,373	(7,446)	4,799	42,102
Interest income					125
Finance costs					(514)
Income tax					(10,084)
Profit for the period					31,629
OTHER INFORMATION					
Capital expenditure	243	659	9	-	911
Depreciation and amortisation	834	2,079	22	-	2,935

A8 Material subsequent events

Save as disclosed in B8, there were no material events subsequent to the balance sheet date until 19 May 2011, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter except for the following:

- 1) On 19 January 2011, the Company acquired the entire issued and paid-up share capital of Elite Park Development Sdn Bhd, a private limited company incorporated in Malaysia, with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up, for a cash consideration of RM2.00.
- 2) On 25 March 2011, the Company acquired the entire issued and paid-up share capital of the following companies for a cash consideration of RM2.00 each respectively:
 - a) Capitol Avenue Development Sdn Bhd, a private limited company incorporated in Malaysia, with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up; and
 - b) Liberty Property Management Sdn Bhd, a private limited company incorporated in Malaysia, with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which 2 ordinary shares of RM1.00 each have been issued and fully paid-up.

A10 Changes in contingent liabilities or contingent assets

Changes in contingent liabilities of the Group since the last annual balance sheet date is in the form of additional bank guarantees amounting to RM532,050.

A11 Capital Commitments

	31/3/2011 RM'000
Contractual commitment for development lands	103,415
Contractual commitment for acquisition of property, plant and equipment	<u>8,216</u>
	<u><u>111,631</u></u>

A12 Operating Lease Commitments

As Lessee - for the lease of commercial buildings

The future operating lease commitments for rental of commercial buildings contracted for as at balance sheet date but not recognised as liabilities are as follows:-

	Completed Building	Building Under Construction	Total
	RM'000	RM'000	RM'000
Gross	46,958	29,722	76,680
Less: rental receivable	(12,052)	(6,124)	(18,176)
Net	<u>34,906</u>	<u>23,598</u>	<u>58,504</u>
Not later than 1 year	21,120	6,573	27,693
Later than 1 year and not later than 3 years	13,786	17,025	30,811
	<u>34,906</u>	<u>23,598</u>	<u>58,504</u>

The operating lease commitments are in respect of leaseback of commercial buildings ie **The Icon, Jalan Tun Razak** (completed building) and **Southgate Commercial Centre** (building under construction) from the purchasers at 7% and 8% per annum of the respective buildings' sale considerations. The lease is for a period of 3 and 2 years from the commencement date as set out in the respective leaseback agreements. Leaseback for **The Icon, Jalan Tun Razak** has commenced. Southgate Commercial Centre lease commitment is expected to commence in September 2011.

The lease commitments will gradually be offset with increasing income from subletting of the said commercial buildings. The Group is in active negotiation with several prospective tenants and will continue to sign up quality tenants given the commercial buildings' strategic locations and award winning concepts.

B Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of Group performance

The Group recorded strong revenue and profit attributable to owners of parent company of approximately RM311.8 million and RM41.2 million respectively for the first quarter ended 31 March 2011. This represents 31% improvement for revenue and 48% improvement for profit attributable to owners of parent company compared to the same quarter last year.

The improved revenue and profit for the quarter is attributable to progressive recognition of development revenue and profit contribution from its property development activities carried out in Kuala Lumpur, Klang Valley, Penang Island and Johor Bahru. Ongoing projects which contributed to the Group's profit and revenue include Klang Valley residential projects such as **Perdana Residence 2** in Selayang, **Garden Residence** in Cyberjaya, **Hijauan Residence** and **One Legenda** in Cheras, **Kemuning Residence** in Shah Alam, **Aman Perdana** in Meru - Shah Alam, **M-Suites** in Jalan Ampang, **Kinrara Residence** in Puchong; commercial projects such as **Southgate Commercial Centre** in Sungai Besi, **StarParc Point** in Setapak and industrial projects such as **i-Parc 1** in Bukit Jelutong and **i-Parc 2** in Shah Alam. Also contributing are projects in Penang Island i.e. **Residence @ Southbay** and **Legenda @ Southbay** and in Johor Bahru, i.e. **Sierra Perdana**, **Sri Pulai Perdana 2** and **Austin Perdana**. The Plastics division also contributed positively to the current quarter revenue and profit.

The Group's balance sheets remained healthy with net gearing ratio at 0.32 as at 31 March 2011. Excluding the 5 completed projects, the Group has a total of 22 on-going projects, and another 7 new projects in the pipeline for continued earnings performance and growth in the near and medium term.

B2 Material change in quarterly results compared with the immediate preceding quarter

The Group's current quarter profit before taxation is RM58.2 million which is 48% higher than the preceding quarter ended 31 December 2010. This is mainly attributable to higher profit contribution from property development activities and lower selling and marketing expenses compared to the preceding quarter.

B3 Prospects for the current financial year

The Group is off to a good start with successful new launches at **Kinrara Residence** in Puchong, **Star Avenue@D'Sara** in Sungai Buloh, **Bayu Sekamat** in Cheras, new phases of **Garden Residence** in Cyberjaya and **Sri Pulai Perdana 2** in Johor Bahru. **Southgate Commercial Centre** in Sungai Besi was completed ahead of schedule, and vacant possessions were delivered on time to delighted home owners of **Hijauan Residence** in Cheras and **Kemuning Residence** in Shah Alam. As of 13 May 2011, the Group recorded strong sales performance of RM975 million which represents approximately 49% of the more than RM2 billion sales target for 2011. The Group also has remaining Gross Development Value and unbilled sales of approximately RM14 billion.

Steady progress continued in landbanking with the recent acquisition of 205.72 acres of freehold land in Johor Bahru, near Port of Tanjung Pelepas for the proposed RM610 million gross development value integrated industrial and business park development, **Mah Sing i-Parc**. The Group looks forward to even more strategic land acquisitions/joint venture opportunities for the remainder of the year.

Included in plans are gradual releases of broad range of properties through multiple projects to cater to demands across different property segments. These include **Icon City**, Petaling Jaya Commercial Hub, **Icon Residence Mont' Kiara**, **M City** in Jalan Ampang, **Garden Plaza** in Cyberjaya, **Icon Residence Georgetown** and **Ferringhi Residence** in Penang. Also in the plans are releases of new phases at **Garden Residence** in Cyberjaya, **Hijauan Residence** in Cheras, and **Sierra Perdana**, **Sri Pulai Perdana 2**, **Austin Perdana** in Johor Bahru.

The Group is optimistic the positive sentiments for the property market will continue, riding on the favorable employment conditions and stable economic growth. Given the strong branding and execution strengths which are unique to the Group's fast turnaround business model, the Group is well placed for a strong performance for years to come.

B4 Profit forecast

Not applicable as the Group has not issued profit forecast or profit guarantee in a public document.

B5 Income tax expense

	3 months ended		Period ended	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	17,654	13,596	17,654	13,596
Foreign tax	831	214	831	214
	18,485	13,810	18,485	13,810
Over provision of Malaysian income tax in prior year	-	(3,726)	-	(3,726)
	18,485	10,084	18,485	10,084
Deferred taxation				
Malaysian deferred tax	(2,200)	-	(2,200)	-
	16,285	10,084	16,285	10,084

The Group's effective tax rate for the current financial year is higher than the statutory tax rate of 25% mainly due to non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences.

B6 Profits/(losses) on sale of unquoted investments and/or properties

There were no profits/losses on sales of unquoted investments and/or properties which are not in the ordinary course of the Group's business for the current quarter under review.

B7 Quoted securities

The Group does not hold any quoted securities as at 31 March 2011.

B8 Status of corporate proposals

The following corporate proposals announced by the Company have not been completed as at 19 May 2011 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report):

- 1) On 2 December 2009, the Company's wholly-owned subsidiary, Mah Sing International (HK) Limited ("Mah Sing International"), jointly with Danlong Realty (Beijing) Limited entered into a letter of intent with the Wujin District People's Government, Changzhou City ("Wujin Government") to develop a mixed property development project on all that piece of land measuring approximately 87.31 acres located in Wujin, Changzhou City, Jiangsu Province, the People Republic of China. As announced on 24 December 2009, Mah Sing Property Consulting (Changzhou) Pte Ltd with an initial registered capital of USD29.8 million was set up as a wholly owned subsidiary of Mah Sing International in China as requested by Wujin Government for the purpose of acquisition of land use rights in Wujin to develop the mixed property development project.

Since the above announcements, the relevant parties are still in negotiation with the Wujin Government to obtain the land use rights.

- 2) On 5 July 2010, the Company's wholly-owned subsidiary, Grand Prestige Development Sdn Bhd ("Grand Prestige") entered into a Joint Venture Agreement ("JVA") with Medan Damai Sdn Bhd ("Medan Damai") for the joint development of a piece of residential land in Kinrara with total gross area measuring approximately 13.2 acres (net aggregate area of 7.59 acres) in Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan ("JV Land"). Under the terms of the JVA, Medan Damai shall grant Grand Prestige the exclusive rights to continue with the sales and development of the JV Land in return for an entitlement sum of RM35,403,863.85.
- 3) On 9 September 2010, the Company announced to undertake the proposed issuance of up to RM325 million nominal value of 7-years Redeemable Convertible Secured Bonds ("Bonds") ("Proposed Bonds Issue").

The following approvals have been obtained in relation to the Proposal:

- (i) Bursa Malaysia Securities Berhad had vide its letter dated 4 November 2010, approved the listing of up to 191,176,471 new Mah Sing Shares to be issued pursuant to the conversion of the Bonds.
- (ii) The Ministry of International Trade and Industry had, vide its letter dated 9 November 2010, approved the Proposed Bonds Issue.
- (iii) The shareholders at the Extraordinary General Meeting held on 3 December 2010 approved the Proposal.
- (iv) The Securities Commission vide its letter dated 13 December 2010 approved the Proposed Bonds Issue.

On 27 December 2010, the Company announced the fixing of conversion price for the Bonds at RM2.09.

The Proposed Bonds Issue is not completed as of the end of the reporting period, pending execution of relevant documentation pertaining to the issuance of the Bonds.

- 4) On 3 November 2010, the Company's wholly-owned subsidiary, Oasis Garden Development Sdn Bhd entered into a sale and purchase agreement with Ampang Leisuremall Sdn Bhd for the proposed acquisition of 4 parcels of contiguous prime freehold commercial land along Jalan Ampang measuring approximately 19,041.3 square metres (4.7 acres), all in Mukim Ampang, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for a total cash consideration of RM114,905,707.94 or approximately RM560.63 per square foot ("Proposed Acquisition"). The Proposed Acquisition comes with an option to purchase two (2) parcels of adjacent commercial land at the price of RM560.00 per square foot.

The proposed acquisition has become unconditional on 3 May 2011.

- 5) On 23 November 2010, the Company's wholly-owned subsidiary, Uptrend Housing Development Sdn Bhd ("Uptrend Housing") entered into the following agreements:
- a sale and purchase agreement ("SPA") with Utara Malaya Realty Sdn Bhd ("Vendor") for the proposed acquisition of 7 parcels of contiguous prime freehold residential land in Batu Ferringhi, Penang island measuring approximately 246,884 square metres (61.03 acres) in total, all in Mukim 17, Daerah Timur Laut, Tempat Batu Ferringhi, Negeri Pulau Pinang ("Land") for a total cash consideration of RM157,303,872 or approximately RM59.17 per square foot;
 - a novation agreement ("BT Novation Agreement") with Blossom Time Sdn Bhd ("BT"), the proprietor of Parcels A to F (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations contained in a sale and purchase agreement dated 19 November 2010 entered into between the Vendor and BT for the disposal of Parcels A to F, upon the terms and conditions contained in the BT Novation Agreement; and
 - a novation agreement ("RR Novation Agreement") with Radiant Ranch ("RR") , the proprietor of Parcel G (as defined in the SPA) of the Land and the Vendor for the purpose of novating to Uptrend Housing, the Vendor's rights and obligations (save and except the obligation of the Vendor to submit relevant CKHT 2A to the Inland Revenue Board within the stipulated time) contained in the sale and purchase agreement dated 19 November 2010, entered into between the Vendor and RR for the disposal of Parcel G upon the terms and conditions contained in the RR Novation Agreement.

The SPA has become unconditional on 16 March 2011.

- 6) On 12 April 2011, the Company's wholly-owned subsidiary, Mah Sing Properties Sdn Bhd entered into 9 separate sale and purchase agreements ("SPA") with several parties for the acquisition of 9 parcels of contiguous prime freehold land measuring approximately 205.72 acres, all in Mukim Tanjung Kupang, Daerah Johor Bahru, Johor Darul Ta'zim for a total cash consideration of RM54,704,571.20.

The special terms and conditions for the relevant SPAs have been fulfilled.

B9 Group borrowings and debt securities

Total group borrowings as at 31 March 2011 are as follows:

	Unsecured RM'000	Secured RM'000	Secured RM'000	Secured RM'000	Total RM'000
<i>(Denominated in)</i>	<i>(RM)</i>	<i>(RM)</i>	<i>(Indonesian Rupiah)</i>	<i>(USD)</i>	
Term loans payable					
- within 12 months	-	113,242	1,633	126	115,001
- after 12 months	-	401,507	1,610	-	403,117
	-	514,749	3,243	126	518,118
Short term borrowings	50,000	13,780	-	-	63,780
Finance lease and hire purchase					
- within 12 months	-	1,229	3	-	1,232
- after 12 months	-	1,668	-	-	1,668
		2,897	3	-	2,900
Total	50,000	531,426	3,246	126	584,798

B10 Derivative financial instruments

The Group does not have any outstanding derivative financial instruments as at 31 March 2011.

B11 Material litigation

The Group is not engaged in any material litigation as at 19 May 2011, being the latest practicable date which is not earlier than 7 days from the date of issuance of this Interim Financial Report.

B12 Realised and unrealised earnings or losses disclosure

The retained earnings as at 31 March 2011 and 31 December 2010 is analysed as follows:

	31/3/2011	31/12/2010
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	429,724	390,476
- Unrealised	8,073	3,764
Less: Consolidation adjustments	<u>(21,079)</u>	<u>(18,690)</u>
Total group retained earnings as per consolidated accounts	<u>416,718</u>	<u>375,550</u>

B13 Dividend proposed

No dividend has been proposed for the first quarter ended 31 March 2011.

In respect of the previous financial year ended 31 December 2010:

- i) The Board of Directors has proposed a first and final dividend of 15.2% or 7.6 sen per ordinary share of RM0.50 each, less income tax of 25% (2009: 13% or 6.5 sen per ordinary share of RM0.50 each, less income tax of 25%) in respect of the financial year ended 31 December 2010, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.
- ii) The date payable of the dividend will be determined at a later date.
- iii) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at a date to be determined later.

B14 Earnings per share ("EPS")

(a) Basic EPS

The basic earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares in issue.

	3 months ended		Period ended	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Net profit for the period (RM'000)	41,168	27,884	41,168	27,884
Weighted average number of ordinary shares in issue ('000)**	831,569	831,569	831,569	831,569
Basic EPS (sen)	4.95	3.35	4.95	3.35

(b) Diluted EPS

The diluted earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the period by the weighted average number of ordinary shares that would have been in issue upon full exercise of the remaining options under the ESOS, adjusted for the number of such ordinary shares that would have been issued at fair value.

	3 months ended		Period ended	
	31/3/2011	31/3/2010	31/3/2011	31/3/2010
Net profit for the period (RM'000)	41,168	27,884	41,168	27,884
Weighted average number of ordinary shares in issue ('000)**	831,569	831,569	831,569	831,569
Weighted average number of ordinary shares deemed issued at no consideration ('000)**				
ESOS	16,818	64	16,818	64
Adjusted weighted average number ordinary shares ('000)**	848,387	831,633	848,387	831,633
Diluted EPS (sen)	4.85	3.35	4.85	3.35

** Comparative figures for the weighted average number of ordinary shares for both basic and fully diluted earnings per ordinary share computation have been restated to reflect the adjustment arising from the bonus issue completed during the previous financial year.

B15 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

BY ORDER OF THE BOARD

YANG BAO LING
KUAN HUI FANG

Secretaries

Kuala Lumpur
25 May 2011