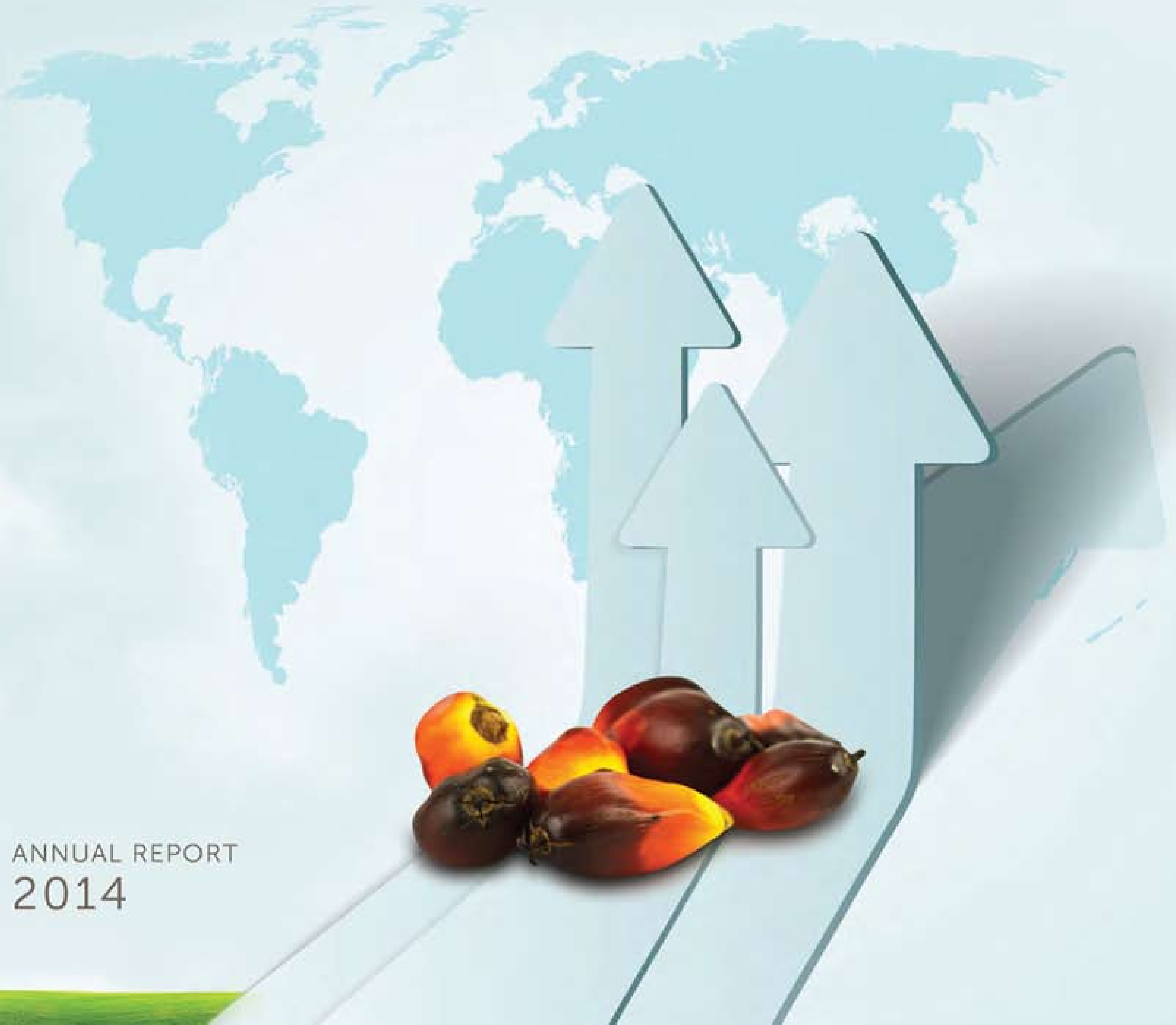
GOLDEN LAND BERHAD

Incorporated In Malaysia (298367-A)

Taking Root for Greater Growth



ANNUAL REPORT
2014

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CORPORATE STRUCTURE & PRINCIPAL ACTIVITIES 2014

GOLDEN LAND BERHAD

- **100%** Sri Kehuma Sdn Bhd - Cultivation of oil palm
- **100%** Yapidmas Plantation Sdn Bhd - Cultivation of oil palm and provision of management services
- **100%** Ladang Tunas Hijau Sdn Bhd - Provision of general engineering work services
- **100%** Sparkle Selections Sdn Bhd - Property investment and holding
- **50%** Sinermaju Sdn Bhd - Property Investment
- **100%** Tanah Emas Construction Sdn Bhd - Provision of general contract and civil works
  - **100%** Tanah Emas Properties Sdn Bhd - Property Development
- **100%** Pacific Bloom Limited - Investment holding
  - **100%** Perfect Element Plantation Pte Ltd - Dormant (In Liquidation)
- **100%** Absolute Synergy Limited - Investment holding
- **100%** Mirabumi Sdn Bhd - Dormant
  - **60%** Winapermai Sdn Bhd - Property development and construction
- **100%** Ladang Kluang Sdn Bhd - Cultivation of oil palm
- **100%** Jasutera Sdn Bhd - Ceased operation (In Liquidation)
- **100%** Tanah Emas Oil Palm Processing Sdn Bhd - Processing of fresh fruit bunches of oil palm and marketing of crude palm oil and palm kernel
- **100%** Spectrum 88 Sdn Bhd - Property investment and holding
- **100%** Putatan Emas Sdn Bhd - Property Development
- **49.98%** Tanah Emas Bio-Tech Sdn Bhd - Investment holding
- **100%** Mid Town Property Management Sdn Bhd - Dormant
- **100%** GL Green Resources Sdn Bhd - Dormant
- **100%** Gainfield International Limited - Investment holding
  - **100%** NWP (Cambodia) Pte Ltd - Dormant (In Liquidation)
- **100%** Better Yield Limited - Investment holding
  - **100%** Malaysia Palm Plantation Pte Ltd - Dormant (In Liquidation)
- **100%** Shinny Yield Holdings Limited - Investment holding
  - **95%** PT Tasnida Agro Lestasi - Cultivation of Oil Palm

CORPORATE INFORMATION

BOARD OF DIRECTORS

Beh Sui Loon
- Independent Non-Executive Chairman
Yap Phing Cern
- Chief Executive Officer
Yap Fei Chien
- Executive Director
Oh Kim Sun
- Non-Independent Non-Executive Director
Chan Gak Keong
- Independent Non-Executive Director
Appointed on 1 October 2014
Wong Chee Kiong
- Independent Non-Executive Director
Resigned on 17 October 2014

AUDIT COMMITTEE

Beh Sui Loon
- Chairman/Independent Non-Executive Director
Oh Kim Sun
- Non-Independent Non-Executive Director
Chan Gak Keong
- Independent Non-Executive Director
Appointed on 1 October 2014
Wong Chee Kiong
- Independent Non-Executive Director
Resigned on 17 October 2014

NOMINATION COMMITTEE

Beh Sui Loon
- Chairman/Independent Non-Executive Director
Chan Gak Keong
- Independent Non-Executive Director
Appointed on 1 October 2014
Wong Chee Kiong
- Independent Non-Executive Director
Resigned on 17 October 2014

REMUNERATION COMMITTEE

Chan Gak Keong
- Chairman/Independent Non-Executive Director
Appointed on 1 October 2014
Appointed as Chairman on 24 October 2014
Wong Chee Kiong
- Chairman/Independent Non-Executive Director
Resigned on 17 October 2014
Beh Sui Loon
- Independent Non-Executive Director
Yap Fei Chien
- Executive Director

SECRETARIES

Voo Yin Ling (MAICSA 7016194)
Chin Woon Sian @ Louis Chin (MIA 16041)

REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur, Malaysia
Tel : 03-2084 9000
Fax : 03-2094 9940

HEAD OFFICE

Block B, Lot 4 & 5
Bandar Kim Fung
Mile 4, Jalan Labuk
90000 Sandakan, Sabah
Tel : 089-271163
Fax : 089-274510

REGISTERED OFFICE

A-09-03, Empire Tower
Empire Subang
Jalan SS16/1
47500 Subang Jaya, Selangor
Tel : 03-56118844
Fax : 03-56118600
Email : mail@glbhd.com

AUDITORS

Ernst & Young
16th Floor, Wisma Khoo Siak Chew
Jalan Buli Sim Sim
90000 Sandakan, Sabah
Tel : 089-211455
Fax : 089-272002

PRINCIPAL BANKERS

AmBank (M) Berhad
Hong Leong Bank Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Sector : Plantation
Stock Name : GLBHD

INTERNET HOMEPAGE

www.glbhd.com

CHAIRMAN'S STATEMENT

"On behalf of the Board of Directors of Golden Land Berhad ("GLB" or "Company") and its subsidiaries (the Group), I am pleased to present to you the Annual Report and the Audited Financial Statements for the financial year ended 30 June 2014."

FINANCIAL PERFORMANCE

I am pleased to report that the Group registered RM189.77 million in revenue and RM20.40 million in profit before taxation for the financial year ended 30 June 2014. The increase in revenue of 3% was due to higher average crude palm oil (CPO) selling price and palm kernel (PK) selling price but is being offset by lower sales volume.

The profit before tax has increased by 180% to RM20.40 million from RM5.52 million in the preceding year, mainly due to higher average CPO selling prices as compared to the previous financial year.

CHAIRMAN'S STATEMENT (CONT'D)

DIVIDEND

The Company is committed to the payment of annual dividends. The quantum of payment of dividends is determined by the availability of funds, the amount of retained earnings, capital expenditure commitments and other investment planning requirements.

On 26 August 2014, the Board proposed to pay a final single tier dividend of 1 cent per share, which amounted to RM2.2 million for the financial year ended 30 June 2014. This proposal is subject to the approval of shareholders in the forthcoming Annual General Meeting.

CORPORATE DEVELOPMENT

On 24 March 2014, Absolute Synergy Limited entered into a Service Provision Agreement ("the SPA") with Mr Ikhsanudin to apply for another piece of land located in Kecamatan Sangkulirang, Kabupaten Kutai Timur, Kalimantan Timur from the Bupati of Kutai Timur with a total land area of approximately 6,517 hectares ("the Sangkulirang land") ("2nd Proposed Acquisition"). Mr Ikhsanudin was engaged to perform the required activities and subsequently obtain the certificate of Hak Guna Usaha (the "HGU") with a maximum Service Fee of USD4.3 million.

On 15 August 2014, GLBHD completed the acquisition of Mirabumi Sdn Bhd. GLBHD had on 16 July 2014 entered into a Sale of Shares Agreement with Wong Cheu Kheng and Liau Shui Fong for the proposed acquisition of 100 fully paid-up shares of RM1.00 each in Mirabumi Sdn Bhd ("MSB") for a purchase consideration of RM7,000,000 ("The Acquisition").

MSB holds 60% equity shareholding in Winapermai Sdn Bhd ("WSB"). The Acquisition has resulted in WSB becoming the indirect subsidiary of GLBHD.

WSB on 25 June 2014 entered into a Joint Venture Agreement with the Mayor of the City of Kota Kinabalu to undertake the Rehabilitation Works and to develop two (2) parcels of land held under Town Lease 017526886 and 017526466 measuring an area of 146,200 square feet and 192,490 square feet respectively in the District of Kota Kinabalu, Sabah.

The Group has launched its property development project in Sandakan in July 2014 known as the **Midtown** *Signature Office*. The total Gross Development Value is approximately RM52 million and is expected to contribute positively to the overall performance of the Group for the next financial year.

PROSPECTS

Due to the uncertainty in the global economy, the CPO prices is expected to be range bound at the current level on the back of sluggish demand. The CPO prices may be adversely affected by an expected bigger harvest of soya beans in the US and Latin America in the third quarter of this year.

There has yet to be any significant revenue and profit contribution from the Group's plantation operation in Indonesia for the next financial year as the majority of the plantation area is still in the preliminary development and immature stage.

Nonetheless, the Group will continuously review its core strategies to improve production and efficiencies in cost of operations to put the Group at the forefront of the industry.

APPRECIATION

On behalf of the Company, I wish to take this opportunity to welcome Mr Chan Gak Keong to the Board, who was appointed as an Independent Non-Executive Director on 1 October 2014. I am confident that his wealth of experience will benefit both the Board and the Group. Also, I would like to take this opportunity to thank Mr Wong Chee Kiong, who retired as Independent Non-Executive Director on 17 October 2014 for his unwavering dedication and contribution towards the Group for the past eleven (11) years.

I would also like to express my sincere appreciation to the Group's Management and all other employees whose passion, concerted efforts and dedication has contributed to the Group's performance. I would also like to thank my colleagues on the Board for their invaluable support, insight and guidance during the financial year.

Lastly, on behalf of the Board of Directors, I would also like to take this opportunity to thank our shareholders, customers, business associates, statutory authorities and bankers for their unwavering support.

BEH SUI LOON
Chairman
15 October 2014

CHIEF EXECUTIVE OFFICER'S REVIEW OF OPERATION

> **"The financial year 2014 proved to be a challenging one indeed. The Group's performance was affected by the decrease in sales volume of CPO and PK by 4% and 18% respectively."**

In the current financial year, CPO prices had fallen from the peak of about RM2,700 per tonne in March 2014 to as low as RM2,250 per tonne in August 2013. However, the Group's average CPO selling price was higher at RM2,457 per tonne (FY 2013: RM2,323 per tonne), an increase of 6% from the preceding year. Meanwhile the PK average price recorded an increase of 42% to RM1,675 per tonne (FY 2013: RM1,177 per tonne).

Of note is that CPO production has decreased by 12% to 64,999 tonnes from 74,246 tonnes in the previous financial year, while in the same token PK production had also declined by 18% to 14,344 tonnes from 17,580 tonnes in the previous financial year. The oil extraction rate registered a healthy 22.25% which is 1.64% higher than 20.61% achieved in the previous financial year. Kernel extraction rate marked an improvement from previous financial year from 4.88% to 4.91%.

The lower CPO production is mainly due to lower FFB (292,089 metric tonnes) received in the current financial year in comparison to the previous financial year (360,186 metric tonnes).

In Sandakan, the Group has a total plantation land of 10,150 hectares comprised of 8,343 hectares mature area and 1,086 hectares immature area, while the remaining land are infrastructures and amenities and also vacant land bank. In Indonesia the Group has a total plantation land area of 8,158 hectares in Kabupaten Barito Kuala, Provinsi Kalimantan Selatan which has been issued with certificates of Hak Guna Usaha by the Indonesian authority.

We will continue to expand our plantation land bank in Indonesia.

In the financial year, the Group has launched a commercial shop lots project in Sandakan, Sabah in the month of July 2014 which consists of 40 units of 3-storey shop offices, 2 units of double-storey semi-detached shop offices and 1 unit of double-storey bungalow shop office. The project is collectively known as the **Midtown** *Signature Office*. The project has a total Gross Development Value of approximately RM52 million. We expect the Project will contribute positively to the Group's financial performance in the financial year 2015.

HUMAN RESOURCES

Truly, our greatest asset is our people. We value the diversity in our workforce and reward the good and ethical behaviour. Ultimately, we always strive to provide a conducive working environment for the continuous growth of our employees.

Our main focus is to attract and retain the best talents.We evaluate our employees periodically based on performance and reward them accordingly. We empower our employees to perform their duties in accordance with their competencies. We provide regular formal and informal training, guidance and counselling in order to close the competency gaps of our employees. We consistently scout and groom the potential candidates for the current and future expansion of our Group.

CHIEF EXECUTIVE OFFICER'S REVIEW OF OPERATION (CONT'D)

REVIEW OF CORPORATE SOCIAL RESPONSIBILITY ("CSR")

We believe in achieving our corporate goals and objectives in an ethical, socially and environmentally responsible way. We always strive to maintain the balance between the Group's benefit and that of our stakeholders in a sustainable manner.

As our business activities are closely associated with the natural resources, we recognise the importance of practising responsible stewardship of the environment. This belief are guiding us to ensure the adherence to the principles of sustainable development.

As a testament to this, our Group's estates and oil mills have commenced to widely incorporate numerous practices aimed at green sensitivities into daily operations.

FUTURE PROSPECTS

The outlook for the oil palm prices is expected to be volatile. Moving forward it will be under pressure due to higher palm oil production in Malaysia and Indonesia and the uncertainties in the global economic outlook. Nevertheless, the Group is still cautiously optimistic on the outlook for the oil palm industry in view of its well-supported fundamentals and taking into consideration the various demand factors.

To ensure continued growth and sustainability of the Group's plantation activity, the Board is continuously exploring opportunities to expand its land bank.

APPRECIATION

On behalf of the Board of Directors, I wish to extend our deepest appreciation to the Management and employees for their continued diligence, invaluable contributions and commitment towards the Company. I would also like to thank our valued customers, shareholders, business associates, suppliers and all other stakeholders for the unwavering support, trust and confidence in the Group.

On behalf of the Board, I would like to welcome Mr. Chan Gak Keong who was appointed as Independent Non-Executive Director on 1 October 2014. I would also like to take this opportunity to thank Mr. Wong Chee Kiong who resigned as an Independent Non-Executive Director on 17 October 2014 for his dedication and contribution to the Group over the past 11 years as a member of the Board.

YAP PHING CERN
Chief Executive Officer
15 October 2014

CORPORATE SOCIAL RESPONSIBILITY

Golden Land Berhad values positive environmental practices. Every measure is meticulously taken to ensure that economic and social development endeavours are executed in harmony with the environment.

ENVIRONMENTAL CARE

The Group continuously safeguards all activities pertaining to corporate social responsibility. In all we do, our endeavours are carefully evaluated before implementation in order to align with the well-being of stakeholders, community as well as the environment. True to our commitment towards preservation of the environment, the Group initiates adequate measures at all construction sites and work places to prevent any adverse impact on surrounding land.

The Group aspires to strengthen its commitment and investment in corporate sustainability while managing its plantation and processing plants in a socially and environmentally responsible manner. These include:

- Establishing Riparian Reserves
- Zero burning in land clearing
- Water and soil conservation
- Soil enrichment and conservation
- Waste treatment
- Effective water management
- Pest management
- Health and safety at workplace

EMPLOYEE WELFARE

The Group prioritizes the well-being of its employees thus valuing their contributions towards the Group's success. We aspire to make our team feel that they are part of a family, and not just an organization. It is our aim to retain our employees, therefore a great deal of thought and effort goes into cultivating lasting bonds with our people.

The Group seeks to provide a home rather than a house to the workers. Apart from pleasing aesthetics, we are aware that a home needs to resemble a conducive living environment, comprising all the necessary amenities. As such, we have transformed many of our housing estates into self-contained communities, ranging from places of worship, clinics, kindergartens, crèches and sports facilities.

OCCUPATIONAL SAFETY AND HEALTH AT THE WORK SITE

The Group greatly prioritises the health and safety of its employees and strives to maintain a highly secure work place. In all processes and activities, health and safety considerations will not be compromised at any cost. In fact, relevant health and safety programs will be implemented with the ultimate objective of achieving a "Zero Accident" work place.

Workers are briefed thoroughly with regards to safety equipment and working procedures at the work place. For greater awareness and proficiency, they are also provided with regular training on health and safety matters. In the area of health and safety practices, all concerned parties are trained to strictly adhere to approved codes.

CONTRIBUTION TO CHARITABLE CAUSES

The soul of a business lies not only in what it makes, but what it gives back to which positively impact the society. Driven by this same principle, the Group has over the past year pledged donations/sponsorships to education programs and local communities. Throughout the financial year, the Group made significant contributions to various schools and charitable associations. It is our sincere hope that these contributions go some way in making a difference to those who require the assistance.

PROFILE OF THE BOARD OF DIRECTORS

BEH SUI LOON
INDEPENDENT NON-EXECUTIVE CHAIRMAN

Malaysian, aged 51, joined the Board of GLBHD on 11 May 2009. He also serves GLBHD as the Chairman of the Board, Audit Committee and Nomination Committee and a member of the Remuneration Committee.

He obtained his qualification as a Chartered Institute of Management Accountants since 1991 and is also a member of the Malaysian Institute of Accountants.

He has more than 20 years experience in the accounts and tax services industry. He was attached with KPMG Tax Services Sdn Bhd as a Tax Senior Consultant managing a portfolio of over 100 clients. Currently, he is a Group Financial Controller of an investment holdings company and is responsible for the finance and administration, tax, legal and investment portfolios.

He has no family relationship with any other directors or major shareholders of the Company. There is no conflict of interest with the Company. Within the last 10 years, he has no convictions for offences.

He has attended all the five Board of Directors' meetings held during the financial year ended 30 June 2014 during his tenure of office.

YAP PHING CERN
CHIEF EXECUTIVE OFFICER

Malaysian, aged 51, joined the Board of GLBHD as an Executive Director on 26 December 2001 and was appointed as the Managing Director on 14 November 2002. On 7 May 2004, he has been redesignated as Chief Executive Officer.

He graduated with a Bachelor Degree in Business Administration from Washington State University, Washington, U.S.A. in 1987.

He started his career in 1987 as an Executive Assistant to the Managing Director of a quarry operator in Johor. He joined the Group in 1989 as a Director, taking charge of the sawmill operations. He has more than 10 years of experience in the timber manufacturing and logging industry. He was also actively involved in palm oil estate operation and management, and oil palm development and cultivation.

Currently he oversees the Group's operations and is also involved in the planning, formulation and implementation of the Group's business strategies.

He is a substantial shareholder of GLBHD. He is the son of the late Mr Yap Kiew, the former Managing Director of GLBHD; and the brother of Ms Yap Fei Chien, an Executive Director of GLBHD.

Save as disclosed above, he has no family relationship with any other directors or substantial shareholders of the Company.

There is no conflict of interest with the Company except for those transactions disclosed on pages 110 and 111 of this Annual Report. Within the last 10 years, he has no convictions for offences.

He has attended all the five Board of Directors' meetings held during the financial year ended 30 June 2014 during his tenure of office.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

YAP FEI CHIEN
EXECUTIVE DIRECTOR

Malaysian, aged 44, joined the Board of GLBHD on 7 March 2002. She also serves GLBHD as the member of the Remuneration Committee.

She graduated with a Bachelor of Science in Management Information System from Oklahoma State University, U.S.A., and a Master of Business Administration from University of South Alabama, U.S.A.

She joined the group in 1999 as a Manager overseeing the Administration and Credit/Finance function of the timber manufacturing operation and eventually moved to Human Resources and Administration of the Group till todate.

She is the daughter of the late Mr Yap Kiew, the former Managing Director of GLBHD, and the sister of Mr Yap Phing Cern, the Chief Executive Officer and a substantial shareholder of GLBHD.

Save as disclosed above, she has no family relationship with any other directors or substantial shareholders of the Company.

There is no conflict of interest with the Company except for those transactions disclosed on pages 110 and 111 of this Annual Report. Within the last 10 years, she has no convictions for offences.

She has attended four out of the five Board of Directors' meetings held during the financial year ended 30 June 2014 during her tenure of office.

OH KIM SUN
NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Malaysian, aged 66, joined the Board of GLBHD on 28 July 2011. He also serves GLBHD as a member of the Audit Committee.

Mr Oh is a member of the Malaysian Institute of Certified Public Accountants ("MICPA").

He has more than 35 years of experience in finance. He began his career in 1972 with Coopers and Lybrand in London and subsequently held positions as the Finance Director of Taiko Plantations Sdn Bhd, the Financial Controller of ICI Malaysia, and the Finance Manager (Secondment) at the Headquarters in London, responsible for Northern Europe. He led a successful management buy-out of ICI's Malaysian operations in 1994.

From 1994, he served Chemical Company of Malaysia as the Group Executive Director until 2003.

He currently serves on the Board of Directors of several Public Listed Companies namely, UEM Sunrise Berhad, Nikko Electronics Berhad ("in liquidation") and Opus Group Berhad.

He is a major shareholder of GLBHD by virtue of his indirect interest in Agromate Holdings Sdn Bhd (through Ideal Force Sdn Bhd) pursuant to Section 6A of the Companies Act, 1965.

He has no family relationship with any other directors or substantial shareholders of the Company.

There is no conflict of interest with the Company except for those transactions disclosed on page 111 of this Annual Report. Within the last 10 years, he has no convictions for offences.

He has attended four out of the five Board of Directors' meetings held during the financial year ended 30 June 2014 during his tenure of office.

PROFILE OF THE BOARD OF DIRECTORS (CONT'D)

CHAN GAK KEONG
INDEPENDENT NON-EXECUTIVE DIRECTOR

Malaysian, Aged 69, joined the Board of GLBHD on 1 October 2014. He also serves GLBHD as Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

Mr Chan is a member of the Malaysian Institute of Accountants.

He has more than 30 years of experience in finance. He began his career with Coopers and Lybrand in London and Kuala Lumpur and subsequently held positions as Group Financial Controller of Philips Groups of Companies, Deputy General Manager of Malaysian International Merchant Bankers, COO of MBF Finance, Senior General Manager of RHB Holdings, CEO of RHB Finance and Advisor to TA Enterprise Group of Companies.

He has no family relationship with any other directors or substantial shareholders of the Company. There is no conflict of interest with the Company. Within the last 10 years, he has no convictions of offences.

He did not attend any Board of Directors' meeting held during the year ended 30 June 2014 as he was appointed on 1 October 2014.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Golden Land Berhad recognises the importance of adopting high standards of corporate governance throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and financial performance of the Group. The Board is therefore committed to formulate policies and to direct the Company to achieve its objectives. To promote and nurture the highest standards of corporate governance within the Group, the Board has put in place the framework designed to build sustainable financial performance and at the same time, ensure there are sufficient and credible transparency, integrity and accountability in its operations. This will ensure the Group is in the forefront of good governance and aims to be recognised as an exemplary organisation.

The Board had established three (3) committees namely the Audit Committee, Nomination Committee and Remuneration Committee, where each committee operates within approved and clearly defined terms of reference and reports to the Board.

The Board is pleased to disclose the following statement on the Group's application of the Principles of Malaysian Code on Corporate Governance 2012 ("Code") and the extent of compliance with the Best Practices of the Code throughout the financial year ended 30 June 2014.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

ROLES AND RESPONSIBILITIES OF THE BOARD

The Board's main responsibility is to lead and manage the Group in an effective manner including charting its overall strategic direction and retains full and effective control of the Group's activity. In fulfilling its fiduciary duty, the Board ensures that there are appropriate system and process in place to manage the Group's significant risk. In addition, the Board also has in place a capable and experienced management team to oversee the day-to-day operation of the Group. The Board, however assumes responsibility for the following in discharging its duty of stewardship of the Group:

- Reviewing and adopting the strategic plan for the Group
- Overseeing the conduct of the Group's business
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures
- Succession planning
- Overseeing the development and implementation of a shareholder communication policy for the Group
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Group

PROMOTE SUSTAINABILITY OF BUSINESS

The Company is committed to operate its business in accordance with environmental, social and economic responsibilities. These include working within the law in order to be innovative and demonstrate initiative to meet the requirements of various stakeholders.

The Board will regularly review the strategic direction of the Company and the progress of the Company's operation to include sustainable commitment in business practices and development focusing on the environment, social responsibility, and well-being of its employees, the benefits of which are believed to translate into better corporate performance and image.

BOARD CHARTER, CODE OF CONDUCT AND WHISTLE BLOWING POLICY

The objectives of the Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conducts and that the principles and practices of good Corporate Governance are applied in all dealings in respect, and on behalf of the Company. The Board Charter will be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

BOARD CHARTER, CODE OF CONDUCT AND WHISTLE BLOWING POLICY (CONT'D)

High standards of corporate and individual behavior are observed by the Directors in the context of their roles as Directors of the Group. Ethical standards are formalized through the Company's Code of Conduct.

The Whistle Blowing Policy is also in place, and states the appropriate communication and feedback channels to facilitate whistle blowing.

The Board Charter and Code of Conduct are available at the Company's website at www.glbhd.com.

COMPANY SECRETARY

The Company Secretary plays an important advisory role and also in supporting the Board by ensuring adherence to relevant laws, rules, Board policies and procedures, as well as best practices of governance. The Company Secretary advises the Board on its duties and the appropriate requirements and procedures to be complied with including the management of its meetings. Therefore, the Board recognises that the Board must be supported by a suitably qualified and competent Company Secretary.

STRENGTHEN COMPOSITION

COMPOSITION OF THE BOARD

The Board currently has five (5) members, comprising two (2) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Independent Directors make up 40% of the Board membership. Hence, the Board fulfills the prescribed requirements for one-third of the membership of the Board to be Independent Board Members. The Board considers that the balance achieved between Executive and Non-Executive Directors during the financial year under review was appropriate and effective for the control and direction of the Group's business. The Board is also of the opinion that the Board composition during the year under review has fairly represented the ownership structure of the Company with appropriate representations of minority interest through the Independent Directors.

The Directors of the Group do not hold more than five (5) directorships in public companies as prescribed by the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Listing Requirements").

The Board also recognises and is supportive of the importance of gender diversity in the effective running of a board. Todate, the Board has one (1) female director.

NOMINATION COMMITTEE

The Nomination Committee currently consists of the following Directors:-

- Beh Sui Loon (Chairman)
- Chan Gak Keong

The Committee had three (3) meetings during the financial year.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

NOMINATION COMMITTEE (CONT'D)

Responsibilities and activities of the Committee:-

i. To assist the Board in assessing its overall effectiveness.
ii. To identify and recommend new nominees to the Board and committees of the Board. All decisions and appointments are made by the Board after considering the recommendation of the Nomination Committee.
iii. To recommend to the Board, the Director(s) who retiring (by rotation) for re-election
iv. To review its required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board as well as to assist the Board in implementing boardroom diversity, including gender diversity.
v. To undertake assessment of the independent directors annually by taking into consideration of their background, economic, family relationship and disclosed interests and considers whether the independent directors can continue to bring independent and objective judgment to the Board's deliberation.
vi. To evaluate and determine Directors' training needs to enable them to effectively discharge duties and sustain active participation in the Board's deliberations.

The continued growth and development of the Group demands a strong link between remuneration and performance. The Committee is primarily responsible for reviewing and recommending to the Board's annually the appropriate level of remuneration for the Directors with the aim to attract, retain, and motivate individual of the highest quality.

APPOINTMENTS TO THE BOARD

Board appointments are effected through the Nomination Committee, which is responsible for making recommendations to the Board on all new Board and Board Committee appointments based on a formalised transparent procedure. In making these recommendations, the Nomination Committee will consider the required mix of skills, experience and diversity, including gender, where appropriate.

The Board recognizes the importance of boardroom diversity. The Company's approach to ensure Board diversity include:-

i. Recruiting from a diverse pool of candidates for the position of Director.
ii. Reviewing succession plans to ensure appropriate focus on diversity.
iii. Engaging professional consultants to assist in the hiring process by presenting diverse candidates to the Company for consideration.
iv. Developing programs to develop a broader pool of skilled and experienced board candidates.
v. Promoting gender diversity by encouraging and supporting women's participation on the Board.

REMUNERATION OF DIRECTORS

The Remuneration Committee currently consists of the following Directors, a majority of whom are Non-Executive Directors:-

- Chan Gak Keong (Chairman)
- Beh Sui Loon
- Yap Fei Chien

During the financial year, the Committee met once.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN COMPOSITION (CONT'D)

REMUNERATION OF DIRECTORS (CONT'D)

The Board believes that remuneration should be sufficient to attract, retain and motivate Directors with the necessary caliber, expertise and experience to ensure success of the Company. In line with this philosophy, remuneration for the Executive Director is aligned to individual and corporate performance. For Non-Executive Directors, the fees are commensurate with the level of experience and responsibilities shouldered by the respective Directors.

The Remuneration Committee recommends the policy framework and is responsible for assessing the compensation package for the Executive Directors. The Executive Directors concerned play no part in the decision of their own remuneration but may attend the committee meetings at the invitation of the Chairman of the Committee if their presence is required. The remuneration of the Executive Directors consists of salary, bonus and benefits-in-kind.

Remuneration for Non-Executive Directors is determined by the Board as a whole, with individual Director abstaining from discussion of their own remuneration. The Board, subject to a maximum sum as authorised by the Company's shareholders, determines fees payable to Non-Executive Directors. Non-Executive Directors are also entitled to meeting allowances and reimbursement of expenses incurred in the course of their duties as Directors.

Directors' remuneration is aggregated and categorised into appropriate component and the number of Directors whose remuneration falls into the successive bands of RM50,000.00, distinguishing between Executive and Non-Executive Directors, are shown on pages 78 and 79.

REINFORCE INDEPENDENCE

SEPARATION OF THE POSITION OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The role of the Chairman and the Chief Executive Officer ("CEO") of the Company is distinct and separate with individual responsibilities. The Chairman is responsible for the effective conduct of the Board discussions whilst the CEO is responsible for the running of the day to day operations of the Group. Each of them has clearly defined duties and balance of power and authority.

The CEO and the Executive Directors have a wide range of business and management experience relevant to the direction of the Group. Balance in the Board is further enhanced by the strong presence of Independent Non-Executive Directors. The role of Independent Non-Executive Directors is particularly important in ensuring that the long term interests of shareholders, employees, customers, suppliers and the many communities in which the Group conducts business are being looked after. The Independent Non-Executive Directors, together with the Chairman, are actively involved in Board Meetings and meetings of various Board Committees and provide unbiased, independent views and judgment to the Board's deliberation and decision making process. The composition of the Board also ensures that no individual or group of individuals can dominate the Board's decision-making. The Chairman and the CEO ensure the tone of good governance at Board level and below.

RE-ELECTION OF THE BOARD MEMBERS

In accordance with the Company's Articles of Association, all Directors appointed by the Board are subject to re-election by the shareholders at the first opportunity. The Articles also provide that at least one-third of the Directors are subject to re-election by rotation at every Annual General Meeting ("AGM"). Re-elections are not automatic and all Directors must retire and submit themselves for re-election by shareholders at least once in every three years.

REINFORCE INDEPENDENCE (CONT'D)

BOARD EVALUATION

The Board, through its delegation to the Nomination Committee, had implemented a procedure and process towards an annual assessment of the effectiveness of the Board as a whole and the contribution and performance of each individual Director and Board Committee member during the financial year 2014. Assessments were undertaken in respect of the year ended 30 June 2014 and have been concluded and properly recorded. The Committee has also reviewed the required mix of skills and competencies of the Directors during the year.

The Nomination Committee concluded that the composition of the mix of skills, experience and competencies of the Directors during the year was adequate to support the current needs of the Group. Any Board expansion would be in tandem with the Group's expansion needs.

DIRECTORS' INDEPENDENCE

The Board, via the Nomination Committee undertakes an assessment of its Independent Directors annually to assess the independence of the Directors by taking into consideration of their background, economic, family relationship and disclosed interests and considers whether the Independent Directors can continue to bring independent and objective judgment to the Board's deliberation. The Directors will lose their independence status if they do not satisfy the independence criteria under the definition of independence in Paragraph 1.01 of the Listing Requirements.

TENURE OF INDEPENDENT DIRECTORS

The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as Non-Independent Director or to obtain shareholders' approval at the general meeting to remain as Independent Director.

In line with the Code, the Company through its Nomination Committee conducted an annual assessment of the independence of the Directors and is satisfied that the Independent Directors are independent as they fulfilled the required criteria stipulated in the Bursa Securities Listing Requirements.

FOSTER COMMITMENT

BOARD MEETINGS

The Board meetings are scheduled in advance before the beginning of the new financial year to enable Directors to plan ahead and to fit the year's meetings into their respective schedules. The Board has at least five (5) scheduled meetings per annum with additional meetings convened as and when necessary. During the financial year ended 30 June 2014, the Board conducted five (5) board meetings and each Board member fulfilled the required attendance of board meetings as required under Paragraph 15.05 of the Listing Requirements"). Details of the attendance of each Director are found on page 139.

At Board meetings, the Directors deliberate and resolve significant, strategic, operational, financial, corporate and regulatory matters affecting the Group. The Board's relationship with the Management is defined through the CEO who communicates the Board's expectations to the Management of the Group and reports back to the Board on the Group's operation.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

FOSTER COMMITMENT (CONT'D)

TRAINING

The Board also acknowledges the need to continuously enhance the skills and knowledge of its members and to keep abreast with the developments in the industry and economy in order to remain relevant and progressive. The Directors have completed the Mandatory Accreditation Programme ("MAP") and the Continuing Education Programme ("CEP") as prescribed by Bursa Malaysia Securities Berhad except for Mr Chan Gak Keong as he was appointed on 1 October 2014.

During the year, the Directors had individually participated in the seminar namely Submission of Tax Return Forms 2013, Risk Management & Internal Control: Workshop for Audit Committee Members, SSM National Conference 2014, Smart Plantation, Nomination Committee Programme, KPMG Malaysian Tax Summit 2013, UBS Wealth Insights, BOS Market Outlook, Talk with Indonesian Finance Minister, and Fertilizer Conference.

The Board of Directors will continue to evaluate and determine its training needs to enable the Directors to effectively discharge duties and sustain active participation in the Board's deliberation.

NEW DIRECTORSHIP

A director must not hold more than five (5) directorships in listed corporation. All Board members shall notify the Chairman of the Board or the Company Secretary before accepting any new directorship. The notification shall include an indication of time that will be spent on the new appointment.

The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.

UPHOLD INTEGRITY IN FINANCIAL REPORTING

AUDIT COMMITTEE

The objective of the Audit Committee is to assist the Board to review the adequacy and integrity of the Group's internal control system and management information system. Composition of the Audit Committee, its terms of reference and summary of its activities are set out on pages 25 to 29 of this Annual Report.

RELATIONSHIP WITH THE AUDITORS

The Board of Directors, via the Audit Committee, establishes formal and transparent relationships with the Auditors. The Auditors are invited to attend Audit Committee meetings to discuss audit plans and findings leading to the finalisation of the financial statements and attending the general meeting. The role of the Audit Committee is set out on pages 26 to 27.

The Company has in place the policy and procedures for the assessment of external auditors and also policy covering the provision of non-audit services which are designed to ensure that such services do not impair the external auditors' independence or objectivity. The external auditors provide mainly audit-related services to the Company.

The Board upholds the integrity of financial reporting by the Company and as such, the External Auditors have confirmed to the Board their independence in providing audit services up to the date of this statement.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

UPHOLD INTEGRITY IN FINANCIAL REPORTING (CONT'D)

FINANCIAL REPORTING

The Board is responsible for presenting a clear, balance and comprehensive assessment of the Group's financial position, performance and prospects each time it releases its quarterly and annual financial statements to its shareholders. The Board of Directors with the assistance of the Audit Committee takes reasonable steps to ensure that the financial statements of the Group are drawn up in compliance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 21 of this Annual Report.

RECOGNISE AND MANAGE RISKS

SOUND RISK MANAGEMENT AND INTERNAL CONTROL

The Directors acknowledge the importance of maintaining a sound system of internal control covering not only financial control but also operational and compliance control as well as risk management. The Board emphasizes regular review on its system of internal controls to ensure its completeness, adequacy and integrity in order to safeguard shareholders' investment and the Group's assets and to meet the Group's particular need and to manage risk to which it is exposed. The system, by its nature, can only provide reasonable but not absolute assurance against misstatement or loss.

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal control systems have been operating adequately and effectively. The Board has reviewed the adequacy and integrity of the Group's system of internal control and the Board's Statement on Risk Management and Internal Control is set out on pages 22 and 23.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm which reports directly to the Audit Committee. The internal audit was carried out based on the internal audit plan that was reviewed and approved by the Audit Committee.

Audit findings and recommendations are reported to the Audit Committee once every quarter for immediate attention and action. Ongoing review and evaluation of the systems and processes installed within the Group are being carried out periodically to ensure their adequacy and integrity.

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

CORPORATE DISCLOSURE POLICY

The Board places importance in ensuring timely and high quality disclosure is made to shareholders and investors to keep them informed of all major developments and performance of the Group. As such the Company has adopted a Corporate Disclosure Policy to facilitate the handling and disclosure of material information in a timely and accurate manner.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE (CONT'D)

SUPPLY OF INFORMATION

In order for the Board to discharge its stewardship responsibilities efficiently, the Board has unrestricted access to information required, regular and ad-hoc reports are provided to all Directors to ensure that they are updated on key strategic, financial, operational, legal, regulatory, corporate and social responsibility matters in a timely manner to enable them to make meaningful decisions.

Procedures have been established concerning the content, presentation and timely delivery of papers for each Board and Board Committee meeting as well as for matters arising from meetings to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification, should such need arises. Where necessary, the services of other senior management or external consultants will be arranged to brief and help the Directors to clear any doubt or concern.

The Directors have access to the Company Secretary. The Secretary advises the Board on its duties and the appropriate requirements and procedures to be complied with in relation thereto including the management of its meetings. The Secretary also advises both the Directors and Management on the new statutory enactments as well as applicable rules, regulatory and corporate developments and on the implementation of corporate governance measures and compliance within the Group. The Directors may take independent professional advice at the Group's expense, in furtherance of their duties.

Board papers are circulated on a timely manner prior to each Board meeting to enable the Directors to obtain further information and explanation before the meeting. In addition, there is a schedule of matters reserved specifically for the Board's decision.

A website is maintained at www.glbhd.com to enable shareholders and other stakeholders to access to information of the Group.

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

SHAREHOLDERS AND INVESTORS RELATIONS

The Company recognises the importance of being accountable to its investors and as such has maintained an active and constructive communication policy that enables the Board and Management to communicate effectively with its investors, stakeholders and the public generally. The various channels of communications are through the quarterly announcements on financial results to Bursa Malaysia Securities Berhad, relevant announcements and circulars, AGM and through its website www.glbhd.com where shareholders have access to the corporate information, financial information, share prices and principal activities.

STATEMENT ON CORPORATE GOVERNANCE (CONT'D)

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (CONT'D)

ANNUAL GENERAL MEETING ("AGM")

The Board views the AGM as the primary forum to communicate with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. Notice of the AGM, annual reports and circular are sent out with sufficient notice before the date of the meeting to enable the shareholders to have full information about the meeting to facilitate informed decision-making. The Chairman informs shareholders of their right to demand a poll vote at the commencement of general meetings.

The Company will convene its Twentieth AGM on 28 November 2014 during which shareholders will have the opportunity to direct their questions to the Board. The Board encourages other channels of communication with the shareholders. For this purpose, the Board has identified Mr Beh Sui Loon as the Senior Independent Director to whom queries or concerns regarding the Group may be conveyed. Mr Beh Sui Loon can be contacted via the following channels:

Post	:	GOLDEN LAND BERHAD A-09-03, Empire Tower, Empire Subang Jalan SS16/1, 47500 Subang Jaya Selangor Darul Ehsan
Fax	:	03-5611 8600
Website	:	"Contact Us" option at www.glbhd.com

The above statement is made in accordance with a resolution of the Board of Directors dated 15 October 2014.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

This statement is prepared as required by the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad.

The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and their results and cash flows for the year then ended.

In preparing the financial statements for the year ended 30 June 2014, the Directors have:

- Adopted appropriate accounting policy and applied it consistently;
- Made reasonable and prudent judgment and estimation;
- Followed all applicable approved accounting standards in Malaysia and complied with the provisions of the Companies Act, 1965; and
- Prepared the financial statements on the going concern basis as the Directors have reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue with their operations in the foreseeable future.

The Directors are responsible for taking such steps that are reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularity in the Group.

This Statement was prepared in accordance with a resolution of the Board of Directors dated 31 October 2014.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RESPONSIBILITY

The Board acknowledges its responsibility in maintaining a sound system of internal control and risk management practices including the review for adequacy and integrity of the system in order to safeguard shareholders' investment and Group's assets. However, it should be noted that these systems are designed to manage rather than to eliminate the risks of failure to achieve business objectives and as such, could only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group that could affect the achievement of its business objectives. The process has been in place throughout the financial period under review and up to the date of approval of the annual report and financial statements.

The system serves to provide reasonable but not absolute assurance against the risk of material loss. The concept of reasonable assurance recognizes that the cost of control procedures shall not exceed the expected benefits.

RISK MANAGEMENT PROCESS

The Board has formally endorsed an ongoing risk management and internal control framework which includes the following key elements:

- The guiding principles of the risk management framework;
- The underlying approach to risk management;
- The roles and responsibilities of the Board and the Management Team;
- The underlying approach in reviewing and monitoring any significant risk;
- Regular review on the effectiveness of internal control.

The framework is applied continuously throughout the financial year to determine, evaluate and manage the significant risks of the Group. This is further assured by the implementation of an internal control system that has been integrated in the Group's operations and working culture. Therefore, any significant risk arising from factors within the Group and from changes in business environment can be addressed on a timely basis.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The followings are the other key elements of the Group's internal control system:

- The Group has a management structure with clearly defined lines of responsibility with appropriate levels of delegation;

- The Board of Directors meets at least once every quarter and has an agenda in line with the schedule of matters as mentioned in the Statement on Corporate Governance to be brought to the Board's attention, ensuring that it maintains full and effective supervision over appropriate controls;

- The Management Committee which comprises the Chief Executive Officer, Executive Directors and Senior Management is entrusted with the responsibilities for the running of the Group's day-to-day operations. The Management Committee meets monthly to consider operational matters and makes appropriate recommendations to the Board on significant capital expenditure, investment or divestment affecting the Group;

- The Executive Directors participate actively in the day-to-day operations of the Group and hold regular dialogues with the Senior Management. The Management of the various business units are responsible for the conduct and performance of the business units and to ensure that an effective system of internal control is in place;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

OTHER KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

- Executive Directors and Senior Management make regular visits to the estates and palm oil mill to observe the state of affairs of the operations; and

- The Group's Budget is reviewed and approved by the Board. Each line of business submits an operating budget annually for approval of the Management Committee. The performance of each business division is reported and reviewed monthly. Variances are analysed against budgets and control parameters for improvement and corrective actions are taken in a timely manner. The budgets and control parameters are reviewed and revised on a semi-annual basis to factor in changes in the economic and business environment.

The Group's internal audit function is outsourced to a professional services firm and the internal auditors report directly to the Audit Committee. The principal role of the internal audit function is to provide the Audit Committee with independent and objective report on the adequacy, efficiency and effectiveness of the internal control system to ensure compliance with the policy and standard operating procedure of the Group.

MONITORING PROCESS

The Audit Committee has full and direct access to the Internal Auditors and receives reports on all internal audits performed. The Internal Auditors continue to independently and objectively monitor compliance with regard to policies and procedures, and the effectiveness of the internal controls systems. Significant findings and recommendations for improvement are highlighted to the Management and the Audit Committee, with periodic follow-up of the implementation of action plans. The Management is responsible for ensuring that corrective actions were implemented accordingly.

The internal audit reviews carried out during the financial year ended 30 June 2014 did not reveal weaknesses that have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

CONCLUSION

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that based on the risk management and internal control of the Group as well as inquiry and information provided, the Group's risk management and internal control system is operating adequately and effectively in all material aspects.

The Board is of the view that the risk management and internal control system in place for the financial year under review and up to the date of issuance of the financial statements, is adequate and effective to safeguard the shareholders' investments and the Group's assets.

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement for inclusion in the Annual Report 2014 and reported to the Board that nothing has come to their attention that causes them to believe that this statement is inconsistent with their understanding of the process adequacy and integrity of the system of internal control.

Moving forward, the Group will continue to improve and enhance the existing systems of risk management and internal controls, taking into consideration the changing business environment.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

There were no utilization of proceeds raised from any corporate proposal announced at the date of this report.

2. SHARE BUYBACKS

During the financial year ended 30 June 2014, a total of 20,000 ordinary shares were purchased and retained as Treasury Shares. The details of the Company's Share Buy Back exercise for the financial year ended 30 June 2014 are as follows:

Month	No. of shares Purchased and Retained as Treasury Shares	Purchase Price Per Share (RM) Lowest	Purchase Price Per Share (RM) Highest	Average Cost Per Share (RM)*	Total Cost (RM)
December 2013	10,000	1.08	1.08	1.09	10,880
May 2014	10,000	1.09	1.09	1.10	10,980
	20,000				21,860

* Inclusive of transaction charges

As at 30 June 2014, the cumulative total number of shares held as Treasury Shares was 6,621,400. None of the Treasury Shares were resold or cancelled during the financial year.

3. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any depository receipt programme during the year under review.

4. IMPOSITION OF SANCTIONS AND PENALTIES

There were no sanctions or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year.

5. NON-AUDIT FEES

The amount of non-audit fees paid to the external auditors are disclosed in Note 11 to the Financial Statements.

6. VARIATION IN RESULTS

There was no material variance arose between the results for the financial year and the unaudited results previously announced.

7. PROFIT GUARANTEE

No profit guarantee was given by the Company for the financial year under review.

8. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors and substantial shareholders either subsisting at the end of the financial year ended 30 June 2014 or entered into since the previous financial year.

AUDIT COMMITTEE'S REPORT

COMMITTEE MEMBER

The members of the Audit Committee and their respective designations as at the date of this report are as follows:

Members	Designation
Beh Sui Loon Chairman	Independent Non-Executive Director *Member of the Malaysian Institute of Accountants*
Wong Chee Kiong *(Resigned on 17 October 2014)*	Independent Non-Executive Director
Oh Kim Sun	Non-Independent Non-Executive Director
Chan Gak Keong *(Appointed on 1 October 2014)*	Independent Non-Executive Director

TERMS OF REFERENCE

1. OBJECTIVES OF THE AUDIT COMMITTEE

- Provide assistance to the Board of Directors in fulfilling its fiduciary responsibilities pertaining to the financial, accounting records, risk management and internal control systems and the reporting practices of the Group; and

- Oversees and appraise the quality of the audits conducted both by the internal and external auditors and evaluate the adequacy and effectiveness of the Group's administrative, operating and accounting controls and the integrity of its financial information.

2. COMPOSITION OF AUDIT COMMITTEE

The Board shall appoint an Audit Committee from amongst its Directors and shall consist of not less than three (3) members with a majority of whom are independent and all members should be Non-Executive Directors. All members of the Committee should be financially literate and at least one (1) member of the Committee must be a member of the Malaysian Institute of Accountants and if not, he/she must fulfill the criteria set out in the Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman of the Audit Committee shall be elected by the members of the Committee and he shall be an Independent Non-Executive Director. No alternate director of the Board shall be appointed as a member of the Committee.

In the event of any vacancy in the Audit Committee resulting in the number of members becomes less than three (3), the Board shall fill the vacancy within three (3) months of such event.

The Board shall review the terms of office and performance of the Committee and each of its members at least once in every three (3) years to determine whether such Committee and members have carried out their duties in accordance with the terms of reference.

TERMS OF REFERENCE (CONT'D)

3. DUTIES AND RESPONSIBILITIES

The following are the main duties and responsibilities of the Audit Committee:

a) To consider the appointment and annual reappointment of the external auditors and their audit fees, after taking into consideration the independence and objectivity of the external auditors and the cost effectiveness of their audit;

b) To review with the external auditors before the audit commences, the nature and scope of the audit, the audit plan and to ensure coordination where more than one audit firm is involved;

c) To review the quarterly interim results and annual financial statements of the Group before submission to the Board, focusing particularly on:

- Change in accounting policy and practice;
- Significant adjustment arising from the audit;
- The going concern assumption;
- Significant potential risk issues, if any; and
- Compliance with the applicable approved accounting standards and other legal requirements.

d) To review the external auditors' management letter and the management's response thereto;

e) To review with the external auditors the problems and observation arising from their interim and final audits, and any matter the auditors may wish to discuss without the presence of management where necessary;

f) To review the extent of assistance and co-operation given by the employees to the external auditors and to the internal auditors;

g) To review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;

h) To review the internal audit program, processes and results of the internal audit assignment undertaken and whether appropriate action is taken on the recommendations of the internal audit function;

i) To appraise or assess the performance of the internal audit function.

j) To review any related party transaction and conflict of interests situation that may arise within the Group, including any transaction, procedure or course of conduct that raises question of management integrity;

k) To consider risk management and other issue as defined by the Board;

l) To approve and issue the Audit Committee's Report on the financial statements in the form as may be required by the relevant authorities from time to time;

m) To report to the Board of Directors all pertinent issues which are necessary to be reported;

n) To approve the appointment of the Internal Auditors;

o) To review with the External Auditors, their evaluation of the system;

TERMS OF REFERENCE (CONT'D)

3. DUTIES AND RESPONSIBILITIES (CONT'D)

p) To approve the Internal Audit Plan;

q) To review the follow-up actions by the Management on the weaknesses of internal accounting procedures and controls as highlighted by the external and internal auditors;

r) To perform any other work that it is required or empowered to do by statutory legislation or guidelines as prepared by relevant Government authorities which will include, but are not limited to:

i) The Securities Commission;
ii) The Bursa Malaysia Securities Berhad

s) To review and approve the Annual Report prior to the presentation to the Board of Directors for approval and subsequent dispatch to the shareholders;

t) To review and assess the adequacy of the Risk Management Committee Charter and Policy and shall recommend any amendments whenever deemed necessary and appropriate;

u) To review the Risk Management Committee's report and the annual assessment of risks for the Group including deliberation on the corresponding action plans to mitigate key risks for the Group;

v) To undertake annual assessment of the suitability and independence of the External Auditors to ensure that the External Auditors are, have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements and they have met the criteria of suitability; and

w) To advise the Board of Directors with the reasons that provision of non-audit services by the External Auditors are not perceived to be materially in conflict with their role as auditors.

4. AUTHORITY

The Audit Committee shall have explicit authority to investigate any matter within its terms of reference, the resources to do so and full access to information.

The Committee is also granted the authority to obtain external legal or other independent professional advice and to ensure the assistance of external parties with relevant experience and expertise if desirable.

The Audit Committee is authorized to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

5. MEETINGS

The quorum for the Audit Committee meeting shall be two (2) members of which both of them must be independent directors.

The Audit Committee shall meet at least four (4) times in a financial year. The Committee shall meet with the external auditors at least twice in a financial year or upon the External Auditors' request. Minutes of each meeting shall be distributed to each member of the Committee.

TERMS OF REFERENCE (CONT'D)

5. MEETINGS (CONT'D)

The Audit Committee shall meet regularly, with due notice of the issues to be discussed, and shall record its conclusion in discharging its duties and responsibilities.

The Chief Financial Officer, the Internal Auditors and a representative of the External Auditors shall attend the Audit Committee meetings. Other Board members may attend the meetings upon the invitation of the Audit Committee.

The Chairman of the Audit Committee should communicate on a continuous basis with senior management, such as the Chairman, Chief Executive Officer, Chief Financial Officer, Internal Auditors and the External Auditors in order to be kept informed of the matters affecting the Company.

Any issue at the meeting shall be decided by a majority of votes, each member having one (1) vote and in the case of equality of votes the Chairman shall have a second or casting vote. Save that where two (2) members form a quorum, the Chairman of a meeting at which only such a quorum is present, or that which only two (2) members are competent to vote on the question of issue, shall not have a casting vote.

The External Auditors may request for a meeting as and when necessary. Upon the request of the External Auditors, the Chairman shall convene a meeting of the Committee to consider any matters the Auditors believe should be brought to the attention of the directors and shareholders.

A resolution signed by all members of the Audit Committee for the time being present in Malaysia shall be as effective as a resolution passed at a meeting of the committee duly convened and held. The resolution may consist of several documents in the same form and each signed by one (1) or more members of the Audit Committee.

ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

NUMBER OF MEETINGS AND MINUTES

The Committee held a total of five (5) meetings. Details of attendance of the committee members are as follows:

Members	Number of meetings held during members' tenure in office	Number of meetings attended by members
Beh Sui Loon	5	5
Wong Chee Kiong *(Resigned on 17 October 2014)*	5	5
Oh Kim Sun	5	4
Chan Gak Keong *(Appointed on 1 October 2014)*	0	0

ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR (CONT'D)

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE

During the year under review, the main activities undertaken by the Committee were as follows:

- Reviewed the external auditors' scope of work and their audit plan for the year;
- Reviewed with the external auditors the results of their audit, the audit report and recommendations in respect of improvements to the internal control procedures noted during the course of their audit;
- Reviewed and recommended to the Board the re-appointment of external auditors and their audit fees;
- Reviewed with the internal auditors the internal audit plan to ensure the adequacy of the scope and coverage of work and discussed with the internal auditors regarding the internal audit process, internal audit findings and issues arising from the internal audit performed;
- Met once with the external auditors before finalisation of the audited financial statements for the financial year ended 30 June 2014;
- Reviewed the quarterly unaudited financial results announcement before recommendation to the Board for approval;
- Reviewed the audited financial statements of the Group prior to their submission to the Board for its consideration and approval;
- Reviewed the Group's compliance of the quarterly and year end financial statements with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, applicable approved accounting standards issued by the Malaysian Accounting Standard Board and other relevant legal and regulatory requirements;
- Reviewed the extend of the Group's compliance with the relevant provisions set out under the Malaysian Code on Corporate Governance 2012 for the purpose of issuing the Statement on Corporate Governance and Statement on Risk Management and Internal Control pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and
- Reviewed and approved the Annual Report prior to the presentation to the Board of Directors for approval and subsequent dispatch to the shareholders.

In tandem with the recommendation introduced in the Malaysian Code on Corporate Governance 2012, the Audit Committee has obtained a written assurance from the External Auditors confirming their independence.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional services firm and the internal auditors report directly to the Audit Committee. The principal role of the internal audit function is to provide the Audit Committee with independent and objective report on the adequacy, efficiency and effectiveness of the internal control system to ensure compliance with the policy and standard operating procedure of the Group.

The Audit Committee discusses the internal audit reports with the Internal Auditors to ensure that the recommendations from the internal audit reports are duly acted upon by the Management.

The internal audit reviews carried out during the financial year ended 30 June 2014 did not reveal weaknesses that have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

The total costs incurred for the outsourcing of the Internal Audit Function for the financial year ended 30 June 2014 was approximately RM75,000.00.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2014.

Principal activities

The principal activities of the Company are investment holding, cultivation of oil palm and provision of management services to its subsidiary companies. The principal activities of the subsidiaries, associate and joint ventures are stated in Note 22, 23 and 24 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

Results

	Group RM	Company RM
Profit net of tax	12,943,077	12,376,007
Profit attributable to:		
Owners of the Company	13,039,153	12,376,007
Non-controlling interests	(96,076)	-
	12,943,077	12,376,007

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Dividend

At the forthcoming Annual General Meeting, a final single tier dividend of 1 sen per share amounting to RM2,162,912 in respect of the financial year ended 30 June 2014 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 June 2015.

Directors

The names of directors of the Company in office since the date of the last report and at the date of this report are:

Beh Sui Loon
Yap Phing Cern
Yap Fei Chien
Oh Kim Sun
Chan Gak Keong (Appointed on 1 October 2014)
Wong Chee Kiong (Resigned on 17 October 2014)

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 13 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 37 to the financial statements.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares of the Company were as follows:

	Number of ordinary shares of RM1 each			
	1.7.2013	**Acquired**	**Sold**	**30.6.2014**
The Company				
Yap Phing Cern				
Direct shareholding	54,540,711	3,141,000	-	57,681,711
Indirect shareholding+	3,972,572	22,500	-	3,995,072
Deemed interest*	604,300	-	-	604,300
Yap Fei Chien				
Direct shareholding	322,000	-	-	322,000
Deemed interest*	52,000	-	-	52,000
Oh Kim Sun				
Indirect shareholding+	54,460,700	-	-	54,460,700

\+ Held through another body corporate
* Held by spouse

A director, Yap Phing Cern, by virtue of his interests in shares of the Company is also deemed to have interest in shares of all of its subsidiaries to the extent the Company has an interest.

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

Treasury shares

During the financial year, the Company repurchased 20,000 of its issued ordinary shares from the open market at an average price of RM1.085 per share. The total consideration paid for the repurchase including transaction costs was RM21,859. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

Treasury shares (Cont'd)

As at 30 June 2014, the Company held as treasury shares a total of 6,621,400 of its 222,912,569 issued ordinary shares. Such treasury shares are held at a carrying amount of RM5,350,994 and further relevant details are disclosed in Note 34(b) to the financial statements.

Other statutory information

(a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

  (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

  (i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

  (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

  (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

  (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

Significant events

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 4 to the financial statements.

Subsequent event

Details of a subsequent event are disclosed in Note 45 to the financial statements.

Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 31 October 2014.

Beh Sui Loon
Kuala Lumpur, Malaysia

Yap Fei Chien

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Beh Sui Loon and Yap Fei Chien, being two of the directors of Golden Land Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 37 to 125 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2014 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The information set out in Note 47 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 31 October 2014.

Beh Sui Loon
Kuala Lumpur, Malaysia

Yap Fei Chien

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Lim Su Leong, being the officer primarily responsible for the financial management of Golden Land Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 37 to 126 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Lim Su Leong at
Kuala Lumpur in Wilayah Persekutuan on 31 October 2014

Lim Su Leong

Before me,

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GOLDEN LAND BERHAD (INCORPORATED IN MALAYSIA)

Report on the financial statements

We have audited the financial statements of Golden Land Berhad, which comprise the statements of financial position as at 30 June 2014 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 37 to 125.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2014 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 22 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other reporting responsibilities

The supplementary information set out in Note 47 on page 126 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Yong Voon Kar
1769/04/16(J/PH)
Chartered Accountant

Sandakan, Malaysia
31 October 2014

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Group 2014 RM	Group 2013 RM (Restated)	Company 2014 RM	Company 2013 RM (Restated)
Revenue	5	189,765,683	184,530,244	23,544,273	19,693,840
Cost of sales	6	(147,963,604)	(160,036,402)	(3,873,300)	(4,932,480)
Gross profit		41,802,079	24,493,842	19,670,973	14,761,360
Other items of income					
Interest income	7	541,387	760,895	2,991,529	3,100,491
Other income	8	1,663,605	1,780,539	2,059,599	286,043
Other items of expense					
Distribution costs		(2,222,875)	(2,341,664)	-	-
Administrative expenses		(12,805,737)	(11,447,221)	(5,391,798)	(5,349,351)
Finance costs	9	(7,207,269)	(6,990,536)	(5,780,970)	(5,275,494)
Other expenses	10	(353,716)	(344,238)	-	(162,611)
Share of results of joint venture		(942,590)	(388,644)	-	-
Profit before tax	11	20,474,884	5,522,973	13,549,342	7,360,438
Income tax expense	14	(7,531,807)	(3,816,179)	(1,173,335)	(556,614)
Profit net of tax		12,943,077	1,706,794	12,376,007	6,803,824
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
- Foreign currency translation		(5,116,379)	43,488	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
- Effect of reduction in tax rate	35	234,334	-	34,923	-
- Revaluation of property, plant and equipment and biological assets	35	13,242,399	23,617,469	2,451,666	3,566,267
Other comprehensive income for the year		8,360,354	23,660,957	2,486,589	3,566,267
Total comprehensive income for the year		21,303,431	25,367,751	14,862,596	10,370,091

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Group		Company	
		2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
Profit attributable to:					
Owners of the Company		13,039,153	1,744,287	12,376,007	6,803,824
Non-controlling interests		(96,076)	(37,493)	-	-
		12,943,077	1,706,794	12,376,007	6,803,824
Total comprehensive income attributable to:					
Owners of the Company		21,503,455	25,405,244	14,862,597	10,370,091
Non-controlling interests		(200,024)	(37,493)	-	-
		21,303,431	25,367,751	14,862,597	10,370,091
Earnings per share attributable to owners of the Company (sen per share):					
- Basic	15	6.03	0.81		
- Diluted	15	6.03	0.81		

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	30 June 2014 RM	30 June 2013 RM (Restated)	1 July 2012 RM (Restated)
Assets				
Non-current assets				
Property, plant and equipment	17	367,001,856	359,531,420	342,979,385
Land use rights	18	48,569,816	45,539,479	27,770,451
Biological assets	19	302,356,110	292,667,638	270,312,124
Investment properties	20	26,152,598	26,152,802	26,246,428
Intangible assets	21	26,875,336	26,875,336	26,875,336
Investment in an associate	23	1	1	1
Investment in joint venture	24	3,668,766	4,611,356	-
Other receivables	25	73,015,943	50,730,317	30,366,210
Other assets	26	1,134,975	1,030,395	1,030,395
Deferred tax assets	32	80,367	487,218	-
		848,855,768	807,625,962	725,580,330
Current assets				
Property development costs	27	16,640,278	8,354,671	157,076
Inventories	28	7,374,352	11,996,993	4,234,060
Trade and other receivables	25	7,816,165	10,068,989	13,456,338
Other assets	26	4,756,965	2,708,172	4,076,698
Tax recoverable		-	2,649,309	3,219,190
Cash and bank balances	29	14,434,580	19,338,077	77,878,726
		51,022,340	55,116,211	103,022,088
Total assets		899,878,108	862,742,173	828,602,418

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	30 June 2014 RM	30 June 2013 RM (Restated)	1 July 2012 RM (Restated)
Equity and liabilities				
Current liabilities				
Income tax payable		672,286	1,032,535	-
Loans and borrowings	30	77,399,374	53,345,852	47,130,981
Trade and other payables	31	18,605,923	18,994,352	18,974,785
		96,677,583	73,372,739	66,105,766
Net current (liabilities)/assets		(45,655,243)	(18,256,528)	36,916,322
Non-current liabilities				
Loans and borrowings	30	72,837,926	82,528,196	79,043,309
Deferred tax liabilities	32	92,479,614	89,785,996	85,989,403
Estimated liabilities for post-employment benefit	33	52,261	11,124	-
		165,369,801	172,325,316	165,032,712
Total liabilities		262,047,384	245,698,055	231,138,478
Net assets		637,830,724	617,044,118	597,463,940
Equity attributable to owners of the parent				
Share capital	34	222,912,569	222,912,569	222,912,569
Share premium	34	17,949,950	17,949,950	17,949,950
Treasury shares	34	(5,350,994)	(5,329,135)	(5,325,898)
Revaluation reserves	35	335,197,600	325,249,621	303,785,734
Retained earnings		71,124,325	54,556,418	57,147,966
Foreign currency translation reserve	36	(4,983,571)	28,860	(14,628)
		636,849,879	615,368,283	596,455,693
Non-controlling interests		980,845	1,675,835	1,008,247
Total equity		637,830,724	617,044,118	597,463,940
Total equity and liabilities		899,878,108	862,742,173	828,602,418

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

COMPANY STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	30 June 2014 RM	30 June 2013 RM (Restated)	1 July 2012 RM (Restated)
Assets				
Non-current assets				
Property, plant and equipment	17	42,914,600	42,155,770	40,712,174
Land use rights	18	3,662,450	3,801,888	3,941,326
Biological assets	19	37,710,000	36,611,650	34,868,239
Investments in subsidiaries	22	123,128,220	123,128,220	128,841,817
Investment in an associate	23	1	1	1
Investment in joint venture	24	5,000,000	5,000,000	-
Other receivables	25	55,673,019	39,979,950	27,661,210
		268,088,290	250,677,479	236,024,767
Current assets				
Trade and other receivables	25	94,080,692	87,885,516	30,661,616
Other assets	26	45,266	31,658	67,630
Tax recoverable		-	-	310,139
Cash and bank balances	29	781,742	7,766,955	58,287,707
		94,907,700	95,684,129	89,327,092
Total assets		362,995,990	346,361,608	325,351,859
Equity and liabilities				
Current liabilities				
Income tax payable		8,067	176,137	-
Loans and borrowings	30	44,122,888	29,486,572	19,148,163
Trade and other payables	31	750,967	686,399	1,619,195
		44,881,922	30,349,108	20,767,358
Net current assets		50,025,778	65,335,021	68,559,734
Non-current liabilities				
Loans and borrowings	30	61,773,295	75,065,012	67,985,705
Deferred tax liabilities	32	7,196,480	6,643,932	6,172,677
		68,969,775	81,708,944	74,158,432
Total liabilities		113,851,697	112,058,052	94,925,790
Net assets		249,144,293	234,303,556	230,426,069

COMPANY STATEMENTS OF FINANCIAL POSITION (CONT'D)
AS AT 30 JUNE 2014

	Note	30 June 2014 RM	30 June 2013 RM (Restated)	1 July 2012 RM (Restated)
Equity attributable to owners of the parent				
Share capital	34	222,912,569	222,912,569	222,912,569
Share premium	34	17,949,950	17,949,950	17,949,950
Treasury shares	34	(5,350,994)	(5,329,135)	(5,325,898)
Revaluation reserves	35	45,165,000	43,038,894	39,800,484
Accumulated losses		(31,532,232)	(44,268,722)	(44,910,986)
Total equity		249,144,293	234,303,556	230,426,119
Total equity and liabilities		362,995,990	346,361,608	325,351,859

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

			Attributable to owners of the Company							
				Non-distributable						
2014 Group	Note	Equity, total RM	Equity attributable to owners of the Company, total RM	Share capital (Note 34) RM	Share premium (Note 34) RM	Treasury shares (Note 34) RM	Foreign currency translation reserve (Note 36) RM	Revaluation reserves (Note 35) RM	Distributable retained earnings RM	Non-controlling interests RM
Opening balance at 1 July 2013:										
- as previously reported		433,337,273	431,661,438	222,912,569	17,949,950	(5,329,135)	28,860	144,292,850	51,806,344	1,675,835
- prior year adjustment		183,706,845	183,706,845	-	-	-	-	180,956,771	2,750,074	-
- as restated		617,044,118	615,368,283	222,912,569	17,949,950	(5,329,135)	28,860	325,249,621	54,556,418	1,675,835
Other comprehensive income										
Item that will be reclassified subsequently to profit or loss										
- Foreign currency translation		(5,116,379)	(5,012,431)	-	-	-	(5,012,431)	-	-	(103,948)
Items that will not be reclassified subsequently to profit or loss										
- Effect of reduction in tax rate	35	234,334	234,334	-	-	-	-	234,334	-	-
- Revaluation of property, plant and equipment and biological assets (net of deferred tax)	35	13,242,399	13,242,399	-	-	-	-	13,242,399	-	-
Profit net of tax		12,943,077	13,039,153	-	-	-	-	-	13,039,153	(96,076)
Total comprehensive income		21,303,431	21,503,455	-	-	-	(5,012,431)	13,476,733	13,039,153	(200,024)
Realisation of revaluation reserves	35	-	-	-	-	-	-	(3,528,754)	3,528,754	-
Transactions with owners										
Purchase of treasury shares:										
- Consideration	34	(21,700)	(21,700)	-	-	(21,700)	-	-	-	-
- Transaction costs	34	(159)	(159)	-	-	(159)	-	-	-	-
Non-controlling interests arising from the adjustment of cost of investment		(494,966)	-	-	-	-	-	-	-	(494,966)
Total transactions with owners		(516,825)	(21,859)	-	-	(21,859)	-	-	-	(494,966)
Closing balance at 30 June 2014		637,830,724	636,849,879	222,912,569	17,949,950	(5,350,994)	(4,983,571)	335,197,600	71,124,325	980,845

				Attributable to owners of the Company						
				Non-distributable						
2013 Group	Note RM	Equity, total RM	Equity attributable to owners of the Company, total RM	Share capital (Note 34) RM	Share premium (Note 34) RM	Treasury shares (Note 34) RM	Foreign currency translation reserve (Note 36) RM	Revaluation reserves (Note 35) RM	Distributable retained earnings RM	Non-controlling interests
Opening balance at 1 July 2012:										
- as previously reported		436,044,280	435,036,033	222,912,569	17,949,950	(5,325,898)	(14,628)	146,707,401	52,806,639	1,008,247
- prior year adjustment		161,419,660	161,419,660	-	-	-	-	157,078,333	4,341,327	-
- as restated		597,463,940	596,455,693	222,912,569	17,949,950	(5,325,898)	(14,628)	303,785,734	57,147,966	1,008,247
Other comprehensive income										
Items that will be reclassified subsequently to profit or loss										
- Foreign currency translation		43,488	43,488	-	-	-	43,488	-	-	-
Items that will not be reclassified subsequently to profit or loss										
- Revaluation of property, plant and equipment and biological assets (net of deferred tax)	35	23,617,469	23,617,469	-	-	-	-	23,617,469	-	-
Profit net of tax		1,706,794	1,744,287	-	-	-	-	-	1,744,287	(37,493)
Total comprehensive income		25,367,751	25,405,244	-	-	-	43,488	23,617,469	1,744,287	(37,493)
Realisation of revaluation reserves	35	-	-	-	-	-	-	(2,153,582)	2,153,582	-
Transactions with owners										
Purchase of treasury shares:										
- Consideration	34	(3,151)	(3,151)	-	-	(3,151)	-	-	-	-
- Transaction costs	34	(86)	(86)	-	-	(86)	-	-	-	-
Dividends on ordinary shares	16	(6,489,417)	(6,489,417)	-	-	-	-	-	(6,489,417)	-
Non-controlling interests on acquisition of subsidiary		1,366,822	-	-	-	-	-	-	-	1,366,822
Shares issuance of a subsidiary		317,845	-	-	-	-	-	-	-	317,845
Capital distribution to non-controlling interests		(979,586)	-	-	-	-	-	-	-	(979,586)
Total transactions with owners		(5,787,573)	(6,492,654)	-	-	(3,237)	-	-	(6,489,417)	705,081
Closing balance at 30 June 2013		617,044,118	615,368,283	222,912,569	17,949,950	(5,329,135)	28,860	325,249,621	54,556,418	1,675,835

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Equity, total	Share capital (Note 34)	Share premium (Note 34)	Treasury shares (Note 34)	Revaluation reserves (Note 35)	Accumulated losses
			← Non-distributable			→	
		RM	RM	RM	RM	RM	RM
2014							
Company							
Opening balance at 1 July 2013:							
- as previously reported		212,077,510	222,912,569	17,949,950	(5,329,135)	20,812,848	(44,268,722)
- prior year adjustment		22,226,046	-	-	-	22,226,046	-
- as restated		234,303,556	222,912,569	17,949,950	(5,329,135)	43,038,894	(44,268,722)
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
- Effect of reduction in tax rate	35	34,923	-	-	-	34,923	-
- Revaluation of property, plant and equipment and biological assets	35	2,451,666	-	-	-	2,451,666	-
Profit net of tax		12,376,007	-	-	-	-	12,376,007
Total comprehensive income		14,862,596	-	-	-	2,486,589	12,376,007
Realisation of revaluation reserves	35	-	-	-	-	(360,483)	360,483
Transactions with owners							
Purchase of treasury shares:							
- Consideration	34	(21,700)	-	-	(21,700)	-	-
- Transaction costs	34	(159)	-	-	(159)	-	-
Total transactions with owners		(21,859)	-	-	(21,859)	-	-
Closing balance at 30 June 2014		249,144,296	222,912,569	17,949,950	(5,350,994)	45,165,000	(31,532,232)

STATEMENTS OF CHANGES IN EQUITY (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Equity, total RM	Non-distributable: Share capital (Note 34) RM	Share premium (Note 34) RM	Treasury shares (Note 34) RM	Revaluation reserves (Note 35) RM	Accumulated losses RM
2013							
Opening balance at 1 July 2012:							
- as previously reported		211,505,310	222,912,569	17,949,950	(5,325,898)	20,879,675	(44,910,986)
- prior year adjustment		18,920,809	-	-	-	18,920,809	-
- as restated		230,426,119	222,912,569	17,949,950	(5,325,898)	39,800,484	(44,910,986)
Other comprehensive income							
Items that will not be reclassified subsequently to profit or loss							
- Revaluation of property, plant and equipment and biological assets	35	3,566,267	-	-	-	3,566,267	-
Profit net of tax		6,803,824	-	-	-	-	6,803,824
Total comprehensive income		10,370,091	-	-	-	3,566,267	6,803,824
Realisation of revaluation reserves	35	-	-	-	-	(327,857)	327,857
Transactions with owners							
Purchase of treasury shares:							
- Consideration	34	(3,151)	-	-	(3,151)	-	-
- Transaction costs	34	(86)	-	-	(86)	-	-
Dividends on ordinary shares	16	(6,489,417)	-	-	-	-	(6,489,417)
Total transactions with owners		(6,492,654)	-	-	(3,237)	-	(6,489,417)
Closing balance at 30 June 2013		234,303,556	222,912,569	17,949,950	(5,329,135)	43,038,894	(44,268,722)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Operating activities					
Profit before tax		20,474,884	5,522,973	13,549,342	7,360,438
Adjustments for:					
Allowance for impairment on nursery	10	-	15,529	-	-
Allowance for impairment on trade and other receivables	11	798,447	69,720	561,512	-
Bad debts written off	11	183,484	154,725	-	154,725
Amortisation of leasehold land	11	4,323,942	4,089,872	657,077	614,998
Amortisation of land use rights	11	959,177	1,039,798	139,438	139,438
Depreciation of property, plant and equipment	11	6,085,018	6,038,435	363,170	428,856
Depreciation of investment properties	11	204	204	-	-
Finance costs	9	7,207,269	6,990,536	5,780,970	5,275,494
Inventories written off	11	4,514	-	-	-
Plant and equipment scrapped	11	10,920	2,125	-	674
Share of results of joint venture		942,590	388,644	-	-
Loss on fair value on financial assets	10	353,716	-	-	-
Loss on winding up of a subsidiary	10	-	-	-	162,611
Loss on disposal of property, plant and equipment	11	138,350	-	-	-
Interest income	7	(541,387)	(760,895)	(2,991,529)	(3,100,491)
Dividend income	5	-	-	(14,290,000)	(10,500,000)
Gain on disposal of investment property	8	-	(176,777)	-	-
Gain on disposal of property, plant and equipment	8	(244,044)	(544,046)	(83,329)	(29,999)
Total adjustments		20,222,200	17,307,870	(9,862,691)	(6,853,694)
Operating cash flows before changes in working capital		40,697,084	22,830,843	3,686,651	506,744
Changes in working capital					
(Increase)/decrease in other assets		(2,153,373)	3,354,491	(13,608)	35,972
Net changes in subsidiary companies		-	-	(6,568,656)	(58,580,604)
Increase in property development costs		(7,982,180)	(4,347,713)	-	-
Increase in amount due from joint venture partner		(2,871,750)	(19,083,341)	(2,871,750)	(19,083,341)
Decrease/(increase) in inventories		4,618,127	(7,666,356)	-	-
(Increase)/decrease in receivables		(18,496,699)	2,563,350	(13,009,351)	7,325,071
(Decrease)/increase in payables		(388,429)	(2,372,376)	64,568	(291,288)
Increase in estimated liabilities for post-employment benefit		41,137	11,124	-	-
Total changes in working capital		(27,233,167)	(27,540,821)	(22,398,797)	(70,594,190)
Cash flows from/(used in) operations		13,463,917	(4,709,978)	(18,712,146)	(70,087,446)
Income tax paid		(7,708,925)	(6,110,263)	(1,181,297)	(663,451)
Income tax refunded		2,554,909	3,436,827	-	488,732
Interest paid		(7,652,022)	(7,205,710)	(5,780,970)	(5,275,494)
Net cash flows from/ (used in) operating activities		657,879	(14,589,124)	(25,674,413)	(75,537,659)

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Investing activities					
Net cash outflow on acquisition of a subsidiary	22	-	(25,926,771)	-	-
Capital distribution paid by a subsidiary under members' voluntary winding up	22	-	-	-	5,550,986
Proceed from disposal of investment property		-	270,199	-	-
Proceeds from disposal of property, plant and equipment		322,532	591,676	100,001	30,000
Addition to investment in joint venture		-	(5,000,000)	-	(5,000,000)
Prepayment of land lease rental	18	(4,429,405)	(1,043,048)	-	-
Interest received		500,121	719,724	2,991,529	3,100,491
Dividend received		-	-	14,290,000	10,500,000
Purchase of property, plant and equipment	17	(4,990,033)	(6,626,782)	(15,070)	(89,632)
Plantation development expenditure	19	(8,400,346)	(7,647,293)	-	-
Net cash flows (used in)/from investing activities		(16,997,131)	(44,662,295)	17,366,460	14,091,845
Financing activities					
Capital distribution to non-controlling interests		-	(979,586)	-	-
Dividends paid		-	(6,489,417)	-	(6,489,417)
Drawdown of term loans		6,750,000	20,000,000	-	20,000,000
Drawdown of revolving credits		83,100,000	44,500,000	15,000,000	20,500,000
Drawdown of bankers' acceptance		452,000	588,000	-	-
Repayment of term loans		(14,468,893)	(12,314,249)	(11,051,549)	(5,392,114)
Repayment of revolving credits		(65,400,000)	(27,000,000)	(6,500,000)	(2,000,000)
Acquisition of treasury shares		(21,859)	(3,237)	(21,859)	(3,237)
Repayment of obligations under finance leases		(1,420,471)	(1,847,342)	(197,870)	(207,813)
Net cash flows from/(used in) financing activities		8,990,777	16,454,169	(2,771,278)	26,407,419
Net decrease in cash and cash equivalents		(7,348,475)	(42,797,250)	(11,079,231)	(35,038,395)
Effect of exchange rate changes on cash and cash equivalents		(2,312,504)	(477,218)	-	-
Cash and cash equivalents at beginning of year		17,838,234	61,112,702	7,766,955	42,805,350
Cash and cash equivalents at end of year	29	8,177,255	17,838,234	(3,312,276)	7,766,955

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

The Company is a public limited liability company incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at A-09-03, Empire Tower, Empire Subang, Jalan SS16/1, 47500 Subang Jaya, Selangor. The principal place at which the Company's business is carried out is located at Block B, Lot 4 & 5, Bandar Kim Fung, Mile 4, Jalan Labuk, 90000 Sandakan, Sabah.

The principal activities of the Company are investment holding, cultivation of oil palm and provision of management services to its subsidiary companies. The principal activities of the subsidiaries, associate and joint ventures are stated in Note 22, 23 and 24 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRS") and the requirements of the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2013 as described fully in Note 2.2.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 July 2013, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2013.

Description	**Effective for financial periods beginning on or after**
Amendments to IC Interpretation 2, Member's Shares in Co-Operative Entities and Similar Investment (Improvements to FRSs (2012))	1 January 2012
FRS 10: Consolidated Financial Statements	1 January 2013
FRS 11: Joint Arrangements	1 January 2013
FRS 12: Disclosure of Interests in Other Entities	1 January 2013
FRS 13: Fair Value Measurement	1 January 2013
FRS 119: Employee Benefits	1 January 2013
FRS 127: Separate Financial Statements	1 January 2013
FRS 128: Investment in Associates and Joint Ventures	1 January 2013
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

2. Summary of significant accounting policies (Cont'd)

2.2 Changes in accounting policies (Cont'd)

Description	**Effective for financial periods beginning on or after**
Amendments to FRS 1: Government Loans	1 January 2013
Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 10, FRS 11 and FRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities - Transition Guidance	1 January 2013
Amendment to FRS 1, FRS 101, FRS 116, FRS 132 and FRS 134 (Improvements to FRSs (2012))	1 January 2013

Adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group and of the Company except as discussed below.

FRS 12: Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13: Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS. FRS 13 defines fair value as an exit price. As a result of the guidance in FRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. FRS 13 also requires additional disclosures.

Application of FRS 13 has not materially impacted the fair value measurements of the Group and Company. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined.

FRS 127: Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS127 is limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements.

FRS 128: Investments in Associates and Joint Ventures

As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128 Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

2. Summary of significant accounting policies (Cont'd)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are discussed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to FRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011 - 2013 Cycle	1 July 2014
Amendments to FRS 116, Property, Plant and Equipment and FRS 138, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 11, Joint Arrangements Benefits: Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
FRS 14, Regulatory Deferral Accounts	1 January 2016
FRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
FRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
FRS 9 Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139	To be announced

The directors expect that the adoption of the standards and interpretations will have no material impact on the financial statements in the period of initial application, except as discussed below:

Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities

The amendments to FRS 132 clarify that a legally enforceable right to set off is a right of set off that must not be contingent on a future event and must be legally enforceable in the normal course of business, the event of default and the event of insolvency or bankruptcy of the entity and all of the counterparties. The amendments further clarify that an entity will meet the net settlement criterion as provided in FRS 132 if the entity can settle amounts in a manner that the outcome is, in effect, equivalent to net settlement.

FRS 9: Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of this first phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of the Group's financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

2. Summary of significant accounting policies (Cont'd)

2.3 Standards issued but not yet effective (Cont'd)

Malaysian Financial Reporting Standards ("MFRS Framework")

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework 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 that are within the scope of MFRS 141 Agriculture ("MFRS 141") and IC Interpretation 15 Agreements for Construction of Real Estate ("IC 15"), including their parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional three years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015. Subsequently, on 2 September 2014, MASB has issued the following standards:

(i) MFRS15, Revenue from Contracts Customers.

(ii) Agriculture: Bearer plants (Amendments to MFRS 116, Property, Plant and Equipment and MFRS 141, Agriculture). With the issuance of MFRS 14 and the Bearer Plants Amendment, all transitioning Entities would be required to adopt the MFRS latest by 1 January 2017.

The Group and the Company fall within the definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the year ending 30 June 2018. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

At the date of these financial statements, the Group and the Company have not completed their quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 30 June 2014 could be different if prepared under the MFRS Framework.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 June 2018.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);

2. Summary of significant accounting policies (Cont'd)

2.4 Basis of consolidation (Cont'd)

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting right of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) Potential voting rights held by the Company, other vote holders or other parties;

(iii) Rights arising from other contractual arrangements; and

(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decision need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group losses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of an investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

2. Summary of significant accounting policies (Cont'd)

2.4 Basis of consolidation (Cont'd)

Business combinations (Cont'd)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of FRS 139, it is measured in accordance with the appropriate FRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2.14.

2.5 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the parent, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the parent.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity as equity transaction reserve and attributed to owners of the parent.

2. Summary of significant accounting policies (Cont'd)

2.7 Foreign currency

a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2. Summary of significant accounting policies (Cont'd)

2.8 Current versus non-current classification (Cont'd)

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.9 Fair value measurement

The Group measures financial instruments, such as, derivatives, at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 39.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. Summary of significant accounting policies (Cont'd)

2.9 Fair value measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.10 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Prior to 1 July 2013, leasehold land, plantation development expenditure, plantation infrastructure, plant and machinery are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses.

During the financial year, the Group and the Company changed its accounting policies to measure their plantation infrastructure and plant and machinery at cost less accumulated depreciation and accumulated impairment losses.

Leasehold land and plantation development expenditure are measured at revalued amount.

Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers. Revaluations are performed at least once in every five years to ensure that the fair value of a revalued asset does not differ materially from that which would be determined using fair values at the balance sheet date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

2. Summary of significant accounting policies (Cont'd)

2.10 Property, plant and equipment (Cont'd)

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets at the following rates:

Buildings	2 - 4%
Labour quarters	2 - 20%
Heavy equipment and motor vehicles	14 - 20%
Plant and machinery	7 - 20%
Furniture, fittings and equipment	10 - 33%
Leasehold land and plantation infrastructure development expenditure	Over remaining lease term of land

Capital work-in-progress is not depreciated as these assets are not available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.11 Land use rights

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms.

Oil palm planting expenditure comprised new planting expenditure incurred from land clearing to the point of harvesting. Such expenditure is capitalised. Replanting expenditure which represents cost incurred in replanting old planted areas is charged to income statement in the year in which it is incurred.

No amortisation is considered necessary on oil palm planting expenditure as its value is maintained through replanting programme. Replanting expenditure is recognised in the income statement in the year in which the expenditure is incurred.

2.12 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less accumulated depreciation and any accumulated impairment loss, consistent with the accounting policy for property, plant and equipment as stated in accounting policy Note 2.10.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

2. Summary of significant accounting policies (Cont'd)

2.13 Goodwill (Cont'd)

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.7.

2.14 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

2. Summary of significant accounting policies (Cont'd)

2.15 Investment in associates and joint ventures

An associate is an entity in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

On acquisition of an investment in associate or joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's or joint venture's profit or loss for the period in which the investment is acquired.

An associate or a joint venture is equity accounted for from the date on which the investee becomes an associate or a joint venture.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture after the date of acquisition. When the Group's share of losses in an associate or a joint venture equal or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate or joint venture are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of the associates and joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group applies FRS 139 Financial Instruments: Recognition and Measurement to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate or joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with FRS 136 Impairment of Assets as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

In the Company's separate financial statements, investments in associates and joint ventures are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Held-to-maturity investments
- Available-for-sale financial investments

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by FRS 139. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

This category generally applies to trade and other receivables. For more information on receivables, refer to Note 25.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss as finance costs. The Group did not have any held-to-maturity investments during the years ended 30 June 2014 and 2013.

Available-for-sale ("AFS") financial investments

AFS financial investments include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income and credited in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs. Interest earned whilst holding AFS financial investments is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement (Cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

b) Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement (Cont'd)

b) Impairment of financial assets (Cont'd)

Financial assets carried at amortised cost (Cont'd)

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in statement of profit or loss. Interest income (recorded as finance income in the statement of profit or loss) continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

Available-for-sale ("AFS") financial investments

For AFS financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised in other comprehensive income.

In the case of debt instruments classified as AFS, the impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the statement of profit or loss, the impairment loss is reversed through the statement of profit or loss.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement (Cont'd)

c) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 139. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in FRS 139 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information refer Note 30.

2. Summary of significant accounting policies (Cont'd)

2.16 Financial instruments – initial recognition and subsequent measurement (Cont'd)

c) Financial liabilities (Cont'd)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

As at reporting date, no values are placed on corporate guarantees provided by the Company to secure bank loans and other banking facilities granted to its subsidiaries where such loans and banking facilities are fully collateralised by fixed and floating charges over the property, plant and equipment and other assets of the subsidiaries and where the directors regard the value of the credit enhancement provided by the corporate guarantees as minimal.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.18 Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

2. Summary of significant accounting policies (Cont'd)

2.18 Construction contracts (Cont'd)

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

2.19 Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

2. Summary of significant accounting policies (Cont'd)

2.20 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Crude palm oil and milled oil palm produce: costs of direct materials, direct labour, other direct charges and an appropriate proportion of factory overheads and are determined on the monthly weighted average basis.

- Consumable stores: purchase costs and expenses in bringing them into stores and are determined on the weighted average basis.

- Oil palm nurseries: actual cost of seedlings and upkeep expenses at weighted average cost.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.22 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.23 Employee benefits

Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2. Summary of significant accounting policies (Cont'd)

2.24 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfillment of the arrangement is dependent on the usage of a specific asset or assets of the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(i) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(ii) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.27(vii).

2.25 Advance for plasma plantation projects

Plasma plantation receivable the accumulated plantation development costs, including borrowing costs and indirect overhead, less repayment to date and provision for impairment (if any) which are recoverable from plasma farmers. In the event the Company gives corporate guarantee to the plasma projects for obtaining loan or financial assistance from any financial institution, the guarantee is accounted for as a financial contract.

2.26 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(i) Sale of plantation produce

Sale of plantation produce is recognised on an accrual basis upon delivery of products to customers, less returns.

2. Summary of significant accounting policies (Cont'd)

2.26 Revenue recognition (Cont'd)

(ii) Sale of goods

Sale of goods is recognised upon delivery of products and customers' acceptance.

(iii) Civil and general contracts works

Civil and general contracts works are recognised on accrual basis upon completion of the contract works.

(iv) Construction contracts

Revenue from construction contracts is accounted for by using the stage of completion method as described in Note 2.18.

(v) Dividend income

Dividend income is recognised when the right to receive payment is established.

(vi) Management fees

Revenue from management service is recognised upon rendering of services to subsidiary companies.

(vii) Rental and interest income

Rental and interest income are recognised on accrual basis.

2.27 Income tax

(a) Current income tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. Summary of significant accounting policies (Cont'd)

2.27 Income tax (Cont'd)

(b) Deferred tax (Cont'd)

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

2. Summary of significant accounting policies (Cont'd)

2.28 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.29 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.30 Treasury shares

When shares of the Company, that have not been cancelled, recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

2.31 Contingencies

A contingent liability is:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

b) a present obligation that arises from past events but is not recognised because:

   i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) The amount of the obligation cannot be measured with sufficient reliability.

   A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

   Contingent liabilities and assets are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Useful lives of plant and machinery

The cost of plant and machinery is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these plant and machinery to be within 5 to 20 years. These are common life expectancies applied in the plantation and milling of palm oil industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's plant and machinery at the reporting date is disclosed in Note 17. A 5% difference in the expected useful lives of these assets from management's estimates would result in approximately 2% (2013: 1%) variance in the Group's profit for the year.

b) Impairment of goodwill

Goodwill are tested for impairment annually and at other times when such indicators exist. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. This requires an estimation of the recoverable amounts of the cash-generating units to which goodwill are allocated.

The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model.

c) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's receivable at the reporting date is disclosed in Note 25.

d) Revaluation of property, plant and equipment

The Group measures its leasehold land and biological assets at revalued amounts with changes in fair value being recognised in OCI. The Group engaged an independent valuation specialist to assess fair value as at 30 June 2014 for revalued leasehold land and biological assets. Leasehold land and biological assets were valued by reference to market-based evidence, using comparable price adjusted for specific market factors such as nature, location and condition of the property.

The key assumptions used to determine the fair value of the leasehold land and biological assets are provided in Notes 17 and 19.

3. Significant accounting judgements and estimates (Cont'd)

Key sources of estimation uncertainty (Cont'd)

e) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying value of deferred tax assets of the Group at 30 June 2014 was disclosed in Note 32. The recognised tax losses, capital allowances and reinvestment allowances at 30 June 2014 was RM150,725 (2013: RM2,179,632) and the unrecognised tax losses, capital allowances and reinvestment allowances at 30 June 2014 was RM58,801,500 (2013: RM54,991,692).

4. Significant events

(i) On 18 June 2014, the Federal Court had dismissed Mr. Euggne Kousai's Application Notice of Motion for leave appealing against the decision of Court Appeal on 18 November 2013 on his claims against the Company and three of its subsidiary companies, Sri Kehuma Sdn. Bhd., Yapidmas Plantation Sdn. Bhd. and Ladang Kluang Sdn. Bhd. for trespassing, unlawful occupation of his land and breach of various sub-lease agreements.

(ii) On 24 March 2014, Absolute Synergy Limited (ASL), a wholly-owned subsidiary of the Company, entered into a Service Provision Agreement with Sumber Bumi Serasi (SBS) and Mr Ikhsanudin to engage Mr Ikhsanudin to assist in applying a parcel of land located in Kecamatan Sangkulirang, Kabupaten Kutai Timur, Kalimantan Timur from Bupati of Kutai Timur with a total land area of approximately 6,517 hectares, to obtain the required documents, to perform the required activities and subsequently obtain the certificate of Hak Guna Usaha with a maximum Service Fee of USD4.3 million.

On the even date, ASL also entered into a loan agreement with SBS to extend a loan, secured by shares of Ikhsanudin and Alfus Rinjani in SBS for the sole purpose of paying the service provider for obtaining the required documents.

(iii) On 21 May 2014, the Company announced that its wholly-owned subsidiary, Jasutera Sdn. Bhd. ("JSB") has been placed under Members' Voluntary Winding Up pursuant to Section 254(1) of the Companies Act, 1965.

5. Revenue

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Sale of crude palm oil	165,693,377	163,837,186	-	-
Sale of palm kernel	24,072,306	20,666,534	-	-
Sale of fresh fruit bunches	-	-	8,396,473	8,126,640
Construction contract income	-	26,524	-	-
Dividend income	-	-	14,290,000	10,500,000
Management fee income	-	-	857,800	1,067,200
	189,765,683	184,530,244	23,544,273	19,693,840

6. Cost of sales

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Cost of inventories sold and services rendered	147,947,261	159,487,703	3,878,300	4,932,480
General construction costs	16,343	548,699	-	-
	147,963,604	160,036,402	3,878,300	4,932,480

7. Interest income

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Interest income from:				
Advances	-	-	658,974	627,594
Advances given	-	-	1,889,845	2,088,625
Short term investments and fixed deposits	541,387	760,895	442,710	384,272
	541,387	760,895	2,991,529	3,100,491

8. Other income

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Unrealised gain on foreign exchange	9,900	-	1,881,770	-
Equipment hiring income	3,014	45,800	-	-
Gain on disposal of property, plant and equipment	244,044	544,046	83,329	29,999
Gain on disposal of investment property	-	176,777	-	-
Net rental income	73,292	24,892	50,000	-
Net sales of palm shell and fibre	530,740	527,620	-	-
Miscellaneous	802,615	461,404	44,500	256,044
	1,663,605	1,780,539	2,059,599	286,043

9. Finance costs

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Interest expense on:				
Advances	-	-	-	8,323
Bankers' acceptance	96,303	2,946	-	-
Bank overdrafts	105,738	122,610	101,265	117,822
Term loans	4,947,330	5,654,336	4,451,316	4,757,506
Obligations under finance leases	209,691	253,618	26,579	38,602
Revolving credits	2,292,960	1,172,200	1,201,810	353,241
Total finance costs	7,652,022	7,205,710	5,780,970	5,275,494
Less: Interest expense capitalised in				
- Oil palm planting expenditure (Note 19)	(162,646)	(166,618)	-	-
- Construction cost (Note 26)	-	(9,359)	-	-
- Property development costs (Note 27)	(282,107)	(39,197)	-	-
	7,207,269	6,990,536	5,780,970	5,275,494

10. Other expenses

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Realised loss on foreign exchange	-	328,709	-	-
Loss on fair value of financial assets	353,716	-	-	-
Loss on winding up of a subsidiary	-	-	-	162,611
Allowance for impairment on nursery	-	15,529	-	-
	353,716	344,238	-	162,611

11. Profit before tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
Auditors' remuneration				
- statutory audits	146,926	154,172	48,000	45,000
- overprovision in prior years	(15,448)	(3,149)	-	-
- other services	59,394	36,715	13,000	13,000
Amortisation of leasehold land (Note 17)	4,323,942	4,089,872	657,077	614,998
Amortisation of land use rights (Note 18)	959,177	1,039,798	139,438	139,438
Bad debts written off	183,484	154,725	-	154,725

11. Profit before tax (Cont'd)

	Group		Company	
	2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
Allowance for impairment on trade and other receivables	798,447	69,720	561,512	-
Depreciation of investment properties (Note 20)	204	204	-	-
Depreciation of property, plant and equipment (Note 17)	6,085,018	6,038,435	363,170	428,856
Employee benefits expense (Note 12)	21,060,797	22,075,946	3,542,182	3,529,124
Equipment hire expenses	1,316,784	1,016,567	-	-
Inventories written off	4,514	-	-	-
Loss on disposal of property, plant and equipment	138,350	-	-	-
Non-executive directors' remuneration (Note 13)	154,000	339,452	154,000	339,452
Plant and equipment scrapped	10,920	2,125	-	674
Management fees	-	-	414,963	414,963
Rental expenses	297,890	288,520	87,225	85,400

12. Employee benefits expense

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Wages and salaries	21,233,254	22,544,717	3,219,517	3,199,023
Contributions to defined contributions plans	1,354,367	1,254,691	278,122	275,385
Social security contributions	74,419	60,922	6,638	8,762
Other staff related expenses	312,072	303,608	37,905	45,954
	22,974,112	24,163,938	3,542,182	3,529,124
Capitalised in oil palm expenditure plantation	1,587,082	1,770,009	-	-
Capitalised in construction costs	-	106,506	-	-
Capitalised in property development costs	326,233	211,477	-	-
Recognised in income statements	21,060,797	22,075,946	3,542,182	3,529,124

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM3,375,537 (2013: RM3,111,597) and RM1,226,803 (2013: RM780,869) respectively.

13. Directors' remuneration

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	2,084,130	1,739,608	1,004,130	571,609
Bonus	447,900	192,700	103,900	108,200
Defined contribution plan	338,944	295,026	118,773	101,060
Total executive directors' remuneration	2,870,974	2,227,334	1,226,803	780,869
Non-executive:				
Other emoluments	2,800	153,600	2,800	153,600
Fees	151,200	185,852	151,200	185,852
Total non-executive directors' remuneration (Note 11)	154,000	339,452	154,000	339,452
Directors of subsidiary companies				
Executives:				
Salaries and other emoluments	361,260	679,800	-	-
Bonus	64,400	43,000	-	-
Defined contribution plan	66,903	116,463	-	-
Total executive directors'remuneration (excluding benefits-in-kind)	492,563	839,263	-	-
Estimated money value of benefits-in-kind	12,000	45,000	-	-
Total executive directors' remuneration (including benefits-in-kind)	504,563	884,263	-	-
Total	3,529,537	3,451,049	1,380,803	1,120,321

The number of directors of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Number of directors	
	2014	2013
Executive directors:		
RM300,001 - RM350,000	-	2
RM450,001 - RM500,000	1	-
RM550,001 - RM600,000	1	-
RM1,600,001 - RM1,650,000	-	1
RM1,800,001 - RM1,850,000	1	-

13. Directors' remuneration (Cont'd)

Directors of subsidiary companies (Cont'd)

	Number of directors 2014	2013
Non-executive directors:		
Below RM50,000	1	2
RM50,001 - RM100,000	2	1
RM150,001 - RM200,000	-	1

14. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 June 2014 and 2013 are:

	Group 2014 RM	Group 2013 RM (Restated)	Company 2014 RM	Company 2013 RM (Restated)
Statements of comprehensive income:				
Current income tax:				
- Malaysian income tax	7,554,348	4,058,146	1,115,496	654,267
- (Over)/underprovision in respect of previous years	(111,272)	214,217	(102,269)	6,728
	7,443,076	4,272,363	1,013,227	660,995
Deferred income tax (Note 32):				
- Origination and reversal of temporary differences	78,057	(316,675)	(146,619)	(104,381)
- Under/(over)provision in respect of previous years	670,423	(139,509)	308,118	-
- Effect of reduction in tax rate	(659,749)	-	(1,391)	-
	88,731	(456,184)	160,108	(104,381)
Income tax expense recognised in profit or loss	7,531,807	3,816,179	1,173,335	556,614
Deferred income tax related to other comprehensive income				
- Effect of reduction in tax rate	(234,334)	-	(34,923)	-
- Tax effect on revaluation of property, plant and equipment and biological assets	3,169,646	4,407,161	427,363	1,412,480
	2,935,312	4,407,161	392,440	1,412,480

14. Income tax expense (Cont'd)

Reconciliation between tax expense and accounting profit

The reconciliations between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 June 2014 and 2013 are as follows:

	Group		Company	
	2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
Accounting profit before tax	20,474,884	5,522,973	13,549,342	7,360,438
Tax at Malaysian statutory tax rate of 25% (2013: 25%)	5,118,721	1,380,743	3,387,336	1,840,109
Adjustments:				
Effects of reduction in tax rate	(659,749)	-	(1,391)	-
Income not subject to taxation	(14,534)	(289,444)	(3,587,034)	(2,625,000)
Non-deductible expenses	2,604,103	2,309,721	1,168,575	1,319,549
Utilisation of current year's reinvestment allowances	(4,343)	(4,027)	-	-
Benefits from previously unrecognised tax losses and unabsorbed capital allowances	(74,867)	(31,886)		-
Deferred tax assets not recognised	3,325	376,364	-	15,228
(Over)/underprovision of current income tax in respect of previous years	(111,272)	214,217	(102,269)	6,728
Under/(over)provision of deferred tax in respect of previous years	670,423	(139,509)	308,118	-
Income tax expense recognised in profit or loss	7,531,807	3,816,179	1,173,335	556,614

Current income tax is calculated at the Malaysian statutory rate of 25% (2013: 25%) of the estimated assessable profit for the year. The corporate tax rate applicable to the Indonesia subsidiaries of the Group is 25% for the year of assessment 2014. It is expected that the Malaysian statutory tax rate will be reduced from the current year's rate of 25% to 24% with effect from the year of assessment 2016.

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Unutilised tax losses, unabsorbed reinvestment allowance and unabsorbed agriculture and capital allowances are analysed as follows:				
Unutilised tax losses carried forward	6,303,463	2,898,483	-	-
Unabsorbed reinvestment allowances carried forward	19,579,027	19,579,027	-	-
Unabsorbed capital and agriculture allowances carried forward	33,063,702	34,693,814	12,463,129	12,463,129

14. Income tax expense (Cont'd)

The availability of the unutilised tax losses and unabsorbed capital and agriculture allowances for offsetting against future taxable profits of the Company and of the subsidiary companies are subject to no substantial changes in shareholdings of the Company and of the subsidiary companies under Income Tax Act, 1967 and guidelines issued by the tax authority.

15. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

The Group has no potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share is same as basic earnings per share.

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 30 June 2014 and 2013:

	Group	
	2014 RM	2013 RM (Restated)
Profit net of tax attributable to owners of the parent used in the computation of earnings per share	13,039,153	1,744,287
	Number of shares	Number of shares
Weighted average number of ordinary shares for basic earnings per share computation *	216,304,539	216,313,296

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

16. Dividends

	Company	
	2014 RM	2013 RM
Recognised during the financial year:		
Dividends on ordinary shares:		
- Final single-tier dividend for 2012: 2 sen (2011: 2 sen) per share	-	4,326,285
- Interim single-tier dividend for 2013: 1 sen (2012: 2 sen) per share	-	2,163,132
	-	6,489,417
Proposed but not recognised as a liabilities as at 30 June:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- Final single-tier dividend for 2014: 1 sen (2013: Nil) per share	2,162,912	-

17. Property, plant and equipment

	Leasehold land RM	Plantation infrastructure and buildings RM	Plant and machinery RM	Heavy equipment and motor vehicles RM	Furniture, fittings and equipment RM	Capital work-in-progress RM	Total RM
Group							
Cost or valuation							
At 1 July 2012:							
- as previously reported	125,626,772	57,567,088	20,614,790	24,041,724	2,700,404	3,201,174	233,751,952
- prior year adjustment	159,806,150	(10,999,921)	17,277,396	-	-	-	166,083,625
- as restated	285,432,922	46,567,167	37,892,186	24,041,724	2,700,404	3,201,174	399,835,577
Additions	-	3,038,134	363,772	1,329,183	394,954	2,581,439	7,707,482
Acquisition of subsidiary	-	939,622	96,371	111,052	179,453	-	1,326,498
Disposals	-	-	(3,220)	(2,442,774)	-	-	(2,445,994)
Scrapped	-	-	-	(67,985)	(26,693)	-	(94,678)
Reclassifications	-	3,131,450	415,140	-	-	(3,546,590)	-
Exchange differences	-	143,116	8,433	6,464	3,130	-	161,143
Revaluation surplus	18,363,563	-	-	-	-	-	18,363,563
Transfer*	(4,071,362)	-	-	-	-	-	(4,071,362)
At 30 June 2013	299,725,123	53,819,489	38,772,682	22,977,664	3,251,248	2,236,023	420,782,229
Representing:							
At cost	-	53,819,489	38,772,682	22,977,664	3,251,248	2,236,023	121,057,106
At valuation	299,725,123	-	-	-	-	-	299,725,123
At 30 June 2013	299,725,123	53,819,489	38,772,682	22,977,664	3,251,248	2,236,023	420,782,229
Cost or valuation							
At 1 July 2013:							
- as previously reported	125,626,772	64,819,410	21,495,286	22,977,664	3,251,248	2,236,023	240,406,403
- prior year adjustment	174,098,351	(10,999,921)	17,277,396	-	-	-	180,375,826
- as restated	299,725,123	53,819,489	38,772,682	22,977,664	3,251,248	2,236,023	420,782,229
Additions	-	1,345,780	616,993	952,233	603,532	2,105,895	5,624,433
Disposals	-	-	(450,310)	(769,091)	(11,900)	-	(1,231,301)
Scrapped	-	-	-	(50,722)	(12,300)	-	(63,022)
Revaluation surplus	13,309,514	-	-	-	-	-	13,309,514
Reclassifications	-	3,076,107	38,500	-	-	(3,114,607)	-
Exchange differences	-	(560,824)	(44,604)	(34,105)	(47,372)	-	(686,905)
Transfer*	(4,305,428)	-	-	-	-	-	(4,305,428)
At 30 June 2014	308,729,209	57,680,552	38,933,261	23,075,979	3,783,208	1,227,311	433,429,520
Representing:							
At cost	-	57,680,552	38,933,261	23,075,979	3,783,208	1,227,311	124,700,311
At valuation	308,729,209	-	-	-	-	-	308,729,209
At 30 June 2014	308,729,209	57,680,552	38,933,261	23,075,979	3,783,208	1,227,311	433,429,520

17. Property, plant and equipment (Cont'd)

Group	Leasehold land RM	Plantation infrastructure and buildings RM	Plant and machinery RM	Heavy equipment and motor vehicles RM	Furniture, fittings and equipment RM	Capital work-in-progress RM	Total RM
Accumulated depreciation							
At 1 July 2012:							
- as previously reported	7,526,529	13,051,793	9,204,352	18,426,221	1,966,331	-	50,175,226
- prior year adjustment	(7,342,903)	(533,752)	14,557,621	-	-	-	6,680,966
- as restated	183,626	12,518,041	23,761,973	18,426,221	1,966,331	-	56,856,192
Acquisition of subsidiary	-	203,702	38,008	39,680	79,009	-	360,399
Depreciation charge for the year	4,089,872	1,468,822	2,431,567	2,353,337	252,899	-	10,596,497
Recognised in income statement	4,089,872	1,376,538	2,356,660	2,086,139	219,098	-	10,128,307
Capitalised under oil palm planting expenditure	-	92,284	53,516	114,454	22,933	-	283,187
Capitalised under construction contract	-	-	21,391	152,744	2,071	-	176,206
Capitalised under property development cost	-	-	-	-	8,797	-	8,797
Disposals	-	-	(1,395)	(2,396,969)	-	-	(2,398,364)
Scrapped	-	-	-	(67,984)	(24,569)	-	(92,553)
Transfer*	(4,071,362)	-	-	-	-	-	(4,071,362)
At 30 June 2013	202,136	14,190,565	26,230,153	18,354,285	2,273,670	-	61,250,809
Accumulated depreciation							
At 1 July 2013:							
- as previously reported	9,292,156	14,965,162	12,005,440	18,354,285	2,273,670	-	56,890,713
- prior year adjustment	(9,090,020)	(774,597)	14,224,713	-	-	-	4,360,096
- as restated	202,136	14,190,565	26,230,153	18,354,285	2,273,670	-	61,250,809
Depreciation charge for the year	4,323,942	1,937,881	2,319,018	1,723,252	325,079	-	10,629,172
Recognised in income statement	4,323,942	1,879,871	2,280,228	1,632,776	292,143	-	10,408,960
Capitalised under oil palm planting expenditure	-	58,010	38,790	90,476	11,616	-	198,892
Capitalised under property development cost	-	-	-	-	21,320	-	21,320
Disposals	-	-	(254,711)	(437,285)	(322,467)	-	(1,014,463)
Scrapped	-	-	-	(39,805)	(12,297)	-	(52,102)
Exchange differences	-	(45,037)	(9,199)	(8,777)	(17,311)	-	(80,324)
Transfer*	(4,305,428)	-	-	-	-	-	(4,305,428)
At 30 June 2014	220,650	16,083,409	28,285,261	19,591,670	2,246,674	-	66,427,664

17. Property, plant and equipment (Cont'd)

Group	Leasehold land RM	Plantation infrastructure and buildings RM	Plant and machinery RM	Heavy equipment and motor vehicles RM	Furniture, fittings and equipment RM	Capital work-in-progress RM	Total RM
Net carrying amount							
At cost	-	34,049,126	14,130,213	5,615,503	734,073	3,201,174	57,730,089
At valuation	285,249,296	-	-	-	-	-	285,249,296
At 30 June 2012	285,249,296	34,049,126	14,130,213	5,615,503	734,073	3,201,174	342,979,385
At cost	-	39,628,924	12,542,529	4,623,379	977,578	2,236,023	60,008,433
At valuation	299,522,987	-	-	-	-	-	299,522,987
At 30 June 2013	299,522,987	39,628,924	12,542,529	4,623,379	977,578	2,236,023	359,531,420
At cost	-	41,597,143	10,648,000	3,484,309	1,536,534	1,227,311	58,493,297
At valuation	308,508,559	-	-	-	-	-	308,508,559
At 30 June 2014	308,508,559	41,597,143	10,648,000	3,484,309	1,536,534	1,227,311	367,001,856

Plantations infrastructure and buildings comprise:

Group	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Cost or valuation			
At 1 July 2012:			
- as previously reported	28,312,122	29,254,966	57,567,088
- prior year adjustment	(10,999,921)	-	(10,999,921)
- as restated	17,312,201	29,254,966	46,567,167
Additions	567,828	2,470,306	3,038,134
Acquisition of subsidiary	-	939,622	939,622
Reclassifications	-	3,131,450	3,131,450
Exchange differences	-	143,116	143,116
At 30 June 2013	17,880,029	35,939,460	53,819,489
Representing:			
At cost	17,880,029	35,939,460	53,819,489
At 30 June 2013	17,880,029	35,939,460	53,819,489

17. Property, plant and equipment (Cont'd)

	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Group			
At 1 July 2013:			
- as previously reported	28,879,950	35,939,460	64,819,410
- prior year adjustment	(10,999,921)	-	(10,999,921)
- as restated	17,880,029	35,939,460	53,819,489
Additions	936,013	409,767	1,345,780
Reclassifications	-	3,076,107	3,076,107
Exchange differences	-	(560,824)	(560,824)
At 30 June 2014	18,816,042	38,864,510	57,680,552
Representing:			
At cost	18,816,042	38,864,510	57,680,552
At 30 June 2014	18,816,042	38,864,510	57,680,552
Accumulated depreciation			
At 1 July 2012:			
- as previously reported	2,019,821	11,031,972	13,051,793
- prior year adjustment	(533,752)	-	(533,752)
- as restated	1,486,069	11,031,972	12,518,041
Acquisition of subsidiary	-	203,702	203,702
Depreciation charge for the year	357,812	1,111,010	1,468,822
Recognised in income statement	357,812	1,018,726	1,376,538
Capitalised under oil palm planting expenditure	-	92,284	92,284
At 30 June 2013	1,843,881	12,346,684	14,190,565
At 1 July 2013:			
- as previously reported	2,618,478	12,346,684	14,965,162
- prior year adjustment	(774,597)	-	(774,597)
- as restated	1,843,881	12,346,684	14,190,565
Depreciation charge for the year	379,377	1,558,504	1,937,881
Recognised in income statement	379,377	1,500,494	1,879,871
Capitalised under oil palm planting expenditure	-	58,010	58,010
Exchange differences	-	(45,037)	(45,037)
At 30 June 2014	2,223,258	13,860,151	16,083,409

17. Property, plant and equipment (Cont'd)

Group	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Net carrying amount			
At cost	15,826,132	18,222,994	34,049,126
At 30 June 2012	15,826,132	18,222,994	34,049,126
At cost	16,036,148	23,592,776	39,628,924
At 30 June 2013	16,036,148	23,592,776	39,628,924
At cost	16,592,784	25,004,359	41,597,143
At 30 June 2014	16,592,784	25,004,359	41,597,143

Company	Leasehold land RM	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Heavy equipment and motor vehicles RM	Furniture fitting and equipment RM	Total RM
Cost or valuation						
At 1 July 2012:						
- as previously reported	14,335,000	2,925,000	2,098,619	2,603,364	528,752	22,490,735
- prior year adjustment	21,334,903	(1,067,419)	-	-	-	20,267,484
- as restated	35,669,903	1,857,581	2,098,619	2,603,364	528,752	42,758,219
Additions	-	-	-	-	89,632	89,632
Disposal	-	-	-	(521,126)	-	(521,126)
Scrapped	-	-	-	-	(8,082)	(8,082)
Revaluation surplus	2,398,493	-	-	-	-	2,398,493
Transfer*	(614,998)	-	-	-	-	(614,998)
At 30 June 2013	37,453,398	1,857,581	2,098,619	2,082,238	610,302	44,102,138
Representing:						
At cost	-	1,857,581	2,098,619	2,082,238	610,302	6,648,740
At valuation	37,453,398	-	-	-	-	37,453,398
At 30 June 2013	37,453,398	1,857,581	2,098,619	2,082,238	610,302	44,102,138

17. Property, plant and equipment (Cont'd)

	Leasehold land RM	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Heavy equipment and motor vehicles RM	Furniture fitting and equipment RM	Total RM
Company						
At 1 July 2013:						
- as previously reported	14,335,000	2,925,000	2,098,619	2,082,238	610,302	22,051,159
- prior year adjustment	23,118,398	(1,067,419)	-	-	-	22,050,979
- as restated	37,453,398	1,857,581	2,098,619	2,082,238	610,302	44,102,138
Additions	-	-	-	-	15,070	15,070
Disposal	-	-	-	(331,802)	-	(331,802)
Revaluation surplus	1,780,679	-	-	-	-	1,780,679
Transfer*	(657,077)	-	-	-	-	(657,077)
At 30 June 2014	38,577,000	1,857,581	2,098,619	1,750,436	625,372	44,909,008
Representing:						
At cost	-	1,857,581	2,098,619	1,750,436	625,372	6,332,008
At valuation	38,577,000	-	-	-	-	38,577,000
At 30 June 2014	38,577,000	1,857,581	2,098,619	1,750,436	625,372	44,909,008
Accumulated depreciation						
At 1 July 2012:						
- as previously reported	679,677	167,579	126,199	1,513,642	188,034	2,675,131
- prior year adjustment	(679,677)	50,591	-	-	-	(629,086)
- as restated	-	218,170	126,199	1,513,642	188,034	2,046,045
Depreciation charge for the year	614,998	36,231	41,676	267,263	83,686	1,043,854
Disposal	-	-	-	(521,125)	-	(521,125)
Scrapped	-	-	-	-	(7,408)	(7,408)
Transfer*	(614,998)	-	-	-	-	(614,998)
At 30 June 2013	-	254,401	167,875	1,259,780	264,312	1,946,368
At 1 July 2013:						
- as previously reported	926,832	228,516	167,875	1,259,780	264,312	2,847,315
- prior year adjustment	(926,832)	25,885	-	-	-	(900,947)
- as restated	-	254,401	167,875	1,259,780	264,312	1,946,368
Depreciation charge for the year	657,077	36,231	41,599	204,452	80,888	1,020,247
Disposal	-	-	-	(315,130)	-	(315,130)
Transfer*	(657,077)	-	-	-	-	(657,077)
At 30 June 2014	-	290,632	209,474	1,149,102	345,200	1,994,408

17. Property, plant and equipment (Cont'd)

	Leasehold land RM	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Heavy equipment and motor vehicles RM	Furniture fitting and equipment RM	Total RM
Company						
Net carrying amount						
At cost	-	1,639,411	1,972,420	1,089,722	340,718	5,042,271
At valuation	35,669,903	-	-	-	-	35,669,903
At 30 June 2012	35,669,903	1,639,411	1,972,420	1,089,722	340,718	40,712,174
At cost	-	1,603,180	1,930,744	822,458	345,990	4,702,372
At valuation	37,453,398	-	-	-	-	37,453,398
At 30 June 2013	37,453,398	1,603,180	1,930,744	822,458	345,990	42,155,770
At cost	-	1,566,949	1,889,145	601,334	280,172	4,337,600
At valuation	38,577,000	-	-	-	-	38,577,000
At 30 June 2014	38,577,000	1,566,949	1,889,145	601,334	280,172	42,914,600

* This transfer relates to the accumulated depreciation as at the revaluation that was eliminated against the gross carrying amount of the revalued assets.

Revaluation of property, plant and equipment

Had the revalued leasehold land been carried under the cost model, the carrying amounts of leasehold land that would have been included in the financial statements as at 30 June 2014 would be as follows:

	Group		Company	
	2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Leasehold land	46,152,202	46,937,312	9,731,972	9,915,862

Fair value of leasehold land of the Group and the Company was determined by using investment method and cross checked by comparison method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation 30 June 2014, the properties' fair values are based on valuations performed by CH William Talhar & Wong and KJPP Rengganis, Hamid & Rekan, the accredited independent valuers.

Significant unobservable valuation input:

	Range
Rate of return for deferring the basic land value	3% to 4%

Significant increases or decrease in estimated rates of return in isolation would result in a significantly lower or higher fair value.

17. Property, plant and equipment (Cont'd)

Assets held under finance leases

During the financial year, the Group and the Company acquired plant and equipment with an aggregate cost of RM634,400 (2013: RM1,080,700) and Nil (2013: Nil) respectively by means of finance leases. The cash outflow by the Group and the Company on acquisition of property, plant and equipment amounted to RM4,990,033 (2013: RM6,626,782) and RM15,070 (2013: RM89,632) respectively.

The carrying amount of property, plant and equipment held under finance lease at the reporting date are as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Oil mill and other buildings	1,519,438	1,585,500	-	-
Plant and machinery	299,792	981,685	-	-
Heavy equipment and motor vehicles	2,704,085	3,027,039	587,089	787,839
	4,523,315	5,594,224	587,089	787,839

Leased assets are pledged as security for the related finance lease liabilities (Note 30).

Assets pledged as security

In addition to assets held under finance leases, the Group's and the Company's property, plant and equipment with a carrying amount of RM310,345,959 (2013: RM260,899,028) and RM39,561,408 (2013: RM39,056,583) respectively are mortgaged to secure the Group's and the Company's bank loans (Note 30).

18. Land use rights

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
At beginning of year	45,539,479	27,770,451	3,801,888	3,941,326
Additions	4,429,405	1,043,048	-	-
Acquisition of subsidiary	-	21,493,703	-	-
Exchange differences	(439,891)	73,963	-	-
Reclassified to property development cost (Note 27)	-	(3,801,888)	-	-
Amortisation for the year (Note 11)	(959,177)	(1,039,798)	(139,438)	(139,438)
At end of year	48,569,816	45,539,479	3,662,450	3,801,888

Land use rights of the Group amounted to RM2,500,305 (2013: RM2,607,825) are pledged as securities for borrowings, as disclosed in Note 30.

19. Biological assets

	Group		Company	
	2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
Plantation development expenditure				
Cost or valuation				
At beginning of year:				
- as previously reported	243,685,159	230,990,712	31,840,000	31,840,000
- prior year adjustment	48,982,479	39,321,412	4,771,650	3,028,239
- as restated	292,667,638	270,312,124	36,611,650	34,868,239
Additions	8,761,884	8,081,569	-	-
Revaluation surplus	3,102,531	9,661,067	1,098,350	1,743,411
Acquisition of subsidiary	-	4,324,715	-	-
Exchange differences	(2,175,943)	288,163	-	-
At end of year	302,356,110	292,667,638	37,710,000	36,611,650
At cost	-	-	-	-
At valuation	302,356,110	292,667,638	37,710,000	36,611,650
At end of year	302,356,110	292,667,638	37,710,000	36,611,650

Oil palm planting expenditure incurred during the year included the following:

	Group	
	2014 RM	2013 RM
Depreciation of property, plant and equipment (Note 17)	198,892	283,187
Interest on advances (Note 9)	134,185	133,560
Interest on term loans (Note 9)	28,461	33,058
Plantation management fee	29,334	31,646
Employees benefits expense (Note 12)	1,587,082	1,770,009

(a) The net carrying amounts of plantation development expenditure of the Group and of the Company amounting to RM140,610,341 (2013: RM317,353,807) and RM37,710,000 (2013: RM36,611,650) respectively were pledged as securities for borrowings, as disclosed in Note 30.

(b) During the financial year, the Group incurred plantation development expenditure with an aggregate cost of RM8,761,884 (2013: RM8,081,569) as follows:

	2014 RM	2013 RM
Allowance for impairment on nursery	-	(15,529)
Interest capitalised under oil palm planting expenditure	162,646	166,618
Depreciation of property, plant and equipment capitalised under oil palm planting expenditure	198,892	283,187
Cash payments made for oil palm planting expenditure	8,400,346	7,647,293
	8,761,884	8,081,569

19. Biological assets (Cont'd)

(c) Had the revalued biological assets been carried under the cost model, the carrying amounts of the biological assets that would have been included in the financial statements as at 30 June 2014 would be as follows:

	Group		Company	
	2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Biological assets	138,685,321	132,705,851	14,467,204	14,467,204

Fair value of biological assets was determined by using investment method and cross checked by comparison method. This means that valuations performed by the valuer are based on active market price, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation 30 June 2014, the properties' fair values are based on valuations performed by CH William Talhar & Wong and KJPP Rengganis, Hamid & Rekan, the accredited independent valuer

Significant unobservable valuation input:

	Range
Rate of return on capital	7.5% to 13.1%

Significant increases or decrease in estimated rates of return in isolation would result in a significantly lower or higher fair value.

20. Investment properties

	Group	
	2014 RM	**2013 RM**
Cost		
At beginning of year	26,155,188	26,248,610
Disposal	-	(93,422)
At end of year	26,155,188	26,155,188
Accumulated depreciation		
At beginning of year	2,386	2,182
Charge for the year	204	204
At end of year	2,590	2,386
Net carrying amount	26,152,598	26,152,802

Fair values of investment properties

The directors estimate the fair values of the investment properties which are located in prime areas to be approximately RM60,125,800 (2013: RM27,800,000).

Properties pledged as security

Certain investment properties of the Group amounting to RM16,583,038 (2013: RM16,583,038) are mortgaged as securities for bank borrowings as disclosed in Note 30.

21. Intangible assets

	Group 2014 RM	Group 2013 RM
Goodwill		
Cost		
At beginning of year	27,402,256	27,402,256
Accumulated impairment loss		
At beginning and end of year	526,920	526,920
Net carrying amount		
At end of year	26,875,336	26,875,336

Based on indicative market value information of oil palm land, the fair value less cost to sell which represents the recoverable amounts exceeds the carrying amounts of the plantation and mill segments respectively. The directors are of the opinion that there is no indication of further impairment in relation to the goodwill on consolidation.

22. Investments in subsidiaries

	Company 2014 RM	Company 2013 RM
Unquoted shares at cost	162,349,819	162,349,819
Less: Accumulated impairment losses	(39,221,599)	(39,221,599)
At end of year	123,128,220	123,128,220

Details of subsidiaries held by the Company are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2014 %	Proportion of ownership interest 2013 %
Held by the Company:				
Yapidmas Plantation Sdn. Bhd.	Malaysia	Cultivation of oil palm and provision of management service	100	100
Tanah Emas Oil Palm Processing Sdn. Bhd.	Malaysia	Processing of crude palm oil and palm kernel	100	100
Tanah Emas Construction Sdn. Bhd.	Malaysia	Provision of general construction and civil works	100	100
Ladang Kluang Sdn. Bhd.	Malaysia	Cultivation of oil palm	100	100
Sri Kehuma Sdn. Bhd.	Malaysia	Cultivation of oil palm	100	100

22. Investments in subsidiaries (Cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2014 %	2013 %
Ladang Tunas Hijau Sdn. Bhd.	Malaysia	Provision of general engineering work services	100	100
Sparkle Selections Sdn. Bhd.	Malaysia	Property holding	100	100
Spectrum 88 Sdn. Bhd.	Malaysia	Property holding	100	100
Jasutera Sdn. Bhd. [ii]	Malaysia	Dormant	100	100
GL Green Resources Sdn. Bhd.	Malaysia	Dormant	100	100
Pacific Bloom Limited.	British Virgin Island	Investment holding	100	100
Gainfield International Limited. [iv]	Hong Kong	Investment holding	100	100
Better Yield Limited. [iv]	Hong Kong	Investment holding	100	100
Mid Town Property Management Sdn. Bhd.	Malaysia	Dormant	100	100
Putatan Emas Sdn. Bhd.	Malaysia	Property development	100	100
Absolute Synergy Limited.	British Virgin Island	Investment holding	100	100
Shinny Yield Holdings Limited.	British Virgin Island	Investment holding	100	100
Held through subsidiaries:				
Tanah Emas Properties Sdn. Bhd.	Malaysia	Property development	100	100
Perfect Element Plantation Pte Ltd. [iii]	Cambodia	Dormant	-	100
NWP (Cambodia) Pte Ltd. [iii]	Cambodia	Dormant	-	100
Malaysian Palm Plantation Pte Ltd. [iii]	Cambodia	Dormant	-	100
PT Tasnida Agro Lestari [i]	Indonesia	Cultivation of oil palm	95	95

i. Audited by Purwantono Sunermande Surja, Indonesia (member firm of Ernst & Young Global).
ii. Placed under Members' Voluntary Winding Up on 21 May 2014.
iii. Under Members' Voluntary Winding Up on 26 August 2013.
iv. Audited by firms other than Ernst & Young.

22. Investments in subsidiaries (Cont'd)

Acquisition of subsidiary in previous financial year

On 10 December 2012, Shinny Yield Holdings Limited, a wholly-owned subsidiary of the Company acquired 95% equity interest in PT Tasnida Agro Lestari ("PT TAL"). Upon the acquisition, PT TAL became a subsidiary of the Group. PT TAL, an unlisted company incorporated in Indonesia, is involved in oil palm plantation.

The assets and liabilities arising from the acquisition of subsidiary as at the date of acquisition were as follows:

	2013 RM
Property, plant and equipment	966,099
Biological assets	4,324,715
Land use rights	21,493,703
Deferred tax assets	644,165
Inventories	96,577
Other current assets	1,800,400
Cash and bank balances	42,846
	29,368,505
Trade and other payables	(422,441)
Income tax payable	(3,489)
Amount due to immediate holding company	(1,606,135)
	(2,032,065)
Net assets acquired	27,336,440
The effect of the acquisition on cash flows is as follows:	
Purchase consideration	25,969,617
Less: Cash and cash equivalents of subsidiary acquired	(42,846)
Net cash outflow on acquisition	25,926,771

Impact of acquisition in previous financial year's statements of comprehensive income

The acquisition of PT TAL had no significant impact on the Group's previous financial year's statements of comprehensive income as PT TAL is at the initial stage of developing its oil palm plantation.

22. Investments in subsidiaries (Cont'd)

Winding up of a subsidiary in previous financial year

On 18 February 2013, Ikatan Hasrat Sdn. Bhd., an 85% owned subsidiary had been struck off from the register of Company Commission of Malaysia.

The effect of the winding up on cash flows is as follows:

	Company 2013 RM
Cash and bank balances, net of winding up expenses	6,530,572
Capital distribution to non-controlling interests	(979,586)
Capital distribution to the Company	5,550,986
Cost of investment	(5,713,597)
Loss on winding up to the Company	(162,611)

23. Investment in an associate

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Unquoted shares at cost	6,369,950	6,369,950	6,369,950	6,369,950
Share of post acquisition reserves	(1,971,884)	(1,971,884)	-	-
	4,398,066	4,398,066	6,369,950	6,369,950
Less: Accumulated impairment losses	(4,398,065)	(4,398,065)	(6,369,949)	(6,369,949)
	1	1	1	1

The summarised financial information of the associate is as follows:

	2014 RM	2013 RM
Assets and liabilities:		
Total assets	51	51
Total liabilities	(283,241)	(221,362)
Results:		
Revenue	-	-
Loss for the year	(61,879)	(77,797)

23. Investment in an associate (Cont'd)

Details of the associate company which was incorporated in Malaysia, are as follows:

Name of associate company	Principal activity	Equity interest held (%) 2014	2013
Tanah Emas Bio-Tech Sdn. Bhd.	Investment holding	49.98	49.98

24. Investment in joint venture

	Group 2014 RM	2013 RM	Company 2014 RM	2013 RM
Unquoted shares at cost	5,000,000	5,000,000	5,000,000	5,000,000
Share of post acquisition losses	(1,331,234)	(388,644)	-	-
At end of year	3,668,766	4,611,356	5,000,000	5,000,000

The Company has 50% equity interest in a jointly-controlled entity, Sinermaju Sdn. Bhd.. The joint venture company is incorporated in Malaysia and is an investment holding company. The joint venture has the same reporting period as the Group. No quoted market prices are available for the shares as the Company is a private company.

The Group has 50% of the voting rights of its joint arrangements. Under the contractual arrangements, unanimous consent is required from all parties to the agreements for all relevant activities. The Group's interest in joint ventures is accounted for using the equity method in the consolidated financial statements.

The joint arrangements are structured via separate entities and provide the Group with the rights to the net assets of the entities under the arrangements. Therefore these entities are classified as joint ventures of the Group.

The summarised financial information of the joint venture company and not the Group's share of those amounts are as follows:

	2014 RM	2013 RM
Assets and liabilities:		
Non-current assets	44,351,462	44,400,242
Current assets including fixed deposit with a licensed bank RM14,637,681 (2013: RM14,194,971)	14,921,715	14,238,404
Current liabilities including amounts due to shareholders RM29,308,533 (2013: RM 24,007,743)	30,398,333	24,010,639
Non-current liabilities	22,329,340	26,197,120
Results:		
Revenue	328,990	-
Loss for the year	(1,455,707)	(513,117)

25. Trade and other receivables

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Current				
Trade receivables				
Accrued income	158,000	363,367	-	-
Third parties	6,497,197	6,451,838	-	-
Amount due from a subsidiary	-	-	210,643	203,533
	6,655,197	6,815,205	210,643	203,533
Less: Allowance for impairment				
At beginning of year	(456,978)	(387,258)	-	-
Allowance for the year	(236,935)	(69,720)	-	-
At end of year	(693,913)	(456,978)	-	-
Trade receivables, net	5,961,284	6,358,227	210,643	203,533
Other receivables				
Amounts due from subsidiaries	-	-	102,599,185	96,037,639
Other deposits	331,344	326,961	126,050	51,221
Sundry receivables	2,184,865	3,483,617	730,847	617,644
	2,516,209	3,810,578	103,456,082	96,706,504
Less: Allowance for impairment				
At beginning of year	(99,816)	(99,816)	(9,024,521)	(9,024,521)
Provision of impairment	(561,512)	-	(561,512)	-
At end of year	(661,328)	(99,816)	(9,586,033)	(9,024,521)
Other receivables, net	1,854,881	3,710,762	93,870,049	87,681,983
	7,816,165	10,068,989	94,080,692	87,885,516
Non-current				
Other receivables				
Deposits and prepayment for acquisition of equity interest in corporations	28,758,114	14,058,465	15,291,730	7,717,134
Advances to service provider for obtaining land use right (Note 4)	4,587,749	-	4,587,749	-
Advances to a joint venture partner	15,256,881	15,256,881	13,838,449	13,179,475
Advances to a joint venture company	21,955,091	19,083,341	21,955,091	19,083,341
Plasma plantation receivables	2,458,108	2,331,630	-	-
	73,015,943	50,730,317	55,673,019	39,979,950

25. Trade and other receivables (Cont'd)

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Non-current (Cont'd)				
Other receivables (Cont'd)				
Total trade and other receivables (current and non-current)	80,832,108	60,799,306	149,753,711	127,865,466
Add: Cash and bank balances (Note 29)	14,434,580	19,338,077	781,742	7,766,955
Less: Prepayments and non-refundable deposits	(33,345,854)	(14,058,465)	(19,879,479)	(7,717,134)
Total loans and receivables	61,920,834	66,078,918	130,655,974	127,915,287

a) **Trade receivables**

Trade receivables are non-interest bearing and are generally on 7 to 60 days (2013: 7 to 60 days) term. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Aging analysis trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2014 RM	2013 RM
Neither past due nor impaired	3,292,934	3,366,641
1 to 30 days past due not impaired	103,287	39,648
31 to 60 days past due not impaired	-	-
91 to 120 days past due not impaired	2,565,063	2,951,938
	2,668,350	2,991,586
	5,961,284	6,358,227

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. Approximately 55% (2013: 53%) of the Group's trade receivables arise from customers which are subsidiaries of well-established listed companies.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM2,668,350 (2013: RM2,991,586) that are past due at the reporting date but not impaired. These balances are unsecured in nature.

25. Trade and other receivables (Cont'd)

b) Amount due from subsidiaries

The advances given to subsidiaries are unsecured and have no fixed terms of repayment.

The interest-bearing advances are subject to interest charge at rates ranging from 5.00% to 6.25% (2013: 5.00% to 6.25%) per annum.

c) Deposits and prepayment for acquisition of equity interest in corporation

Included in the amount of the deposits and prepayment mainly consist of proceeds given for the acquisition of equity interests in PT Sumber Bumi Serasi and Winapermai Sdn. Bhd. amounting to RM18,091,215 and RM9,335,000 respectively (2013: RM10,390,606 and RM3,350,000). The acquisition of equity interest in Winapermai Sdn. Bhd. has completed subsequent to year end as disclosed in note 45 to the financial statements.

d) Advances to a joint venture partner

Advances given to a joint venture partner is unsecured, non-interest bearing and to be settled upon completion of the proposed development project.

e) Advances to a joint venture company

Advances given to joint venture company is unsecured, bear interest at 3.05% per annum and to be settled upon demand.

f) Plasma plantation receivables

The Government of the Republic of Indonesia requires a company involved in plantation development to provide support to local communities in oil palm plantation as part of their social obligation which is known as "Plasma" schemes.

PT Tasnida Agro Lestari ("PT TAL") entered into a cooperation agreement with Koperasi Unit Desa Manuntung on February 5, 2013. Based on the agreement, the Company agreed to implement a plasma partnership project with Koperasi Unit Desa Manuntung with partnership ratio 80.20, that has been approved by the Government of Indonesia, especially the Barito Kuala regency, which project will be fully executed by the PT TAL.

Advance for plasma plantation projects represent costs incurred for plasma plantation development which include costs for plasma plantation funded by banks or temporary self-funding by the PT TAL for those waiting bank funding.

Other receivables that are impaired

At the reporting date, the Group and the Company has provided an allowance of RM661,328 (2013: RM99,816) and RM9,586,033 (2013: RM9,024,521) respectively for impairment of other receivables.

26. Other assets

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Current				
Prepayments	2,339,978	291,186	45,266	31,658
Amount due from customers on contract work	2,416,987	2,416,986	-	-
	4,756,965	2,708,172	45,266	31,658
Non-current				
Prepayments	1,134,975	1,030,395	-	-
Total other assets	5,891,940	3,738,567	45,266	31,658

<u>Amount due from customers on contract work</u>

	Group	
	2014 RM	2013 RM
Construction contract costs incurred to date	46,954,063	46,937,719
Attributable profits	(1,721,844)	(1,705,501)
	45,232,219	45,232,218
Less: Progress billings	(42,815,232)	(42,815,232)
Due from customers	2,416,987	2,416,986

The costs incurred to date on construction contracts include the following charges made during the financial year:

	Group	
	2014 RM	2013 RM
Hire of plant and machinery	-	872
Depreciation of property, plant and equipment (Note 17)	-	176,206
Interest expenses (Note 9)	-	9,359
Rental expenses	-	24,405
Employees benefit expense (Note 12)	-	106,506

27. Property development costs

	Group 2014 RM	Group 2013 RM
At beginning of year	8,354,671	157,076
Additions	8,285,607	4,395,707
Reclassified from land use rights (Note 18)	-	3,801,888
At end of year	16,640,278	8,354,671

Included in property development costs incurred during the financial year are:

	Group 2014 RM	Group 2013 RM
Depreciation of equipment (Note 17)	21,320	8,797
Interest expense (Note 9)	282,107	39,197
Employees benefit expense (Note 12)	326,233	211,477

28. Inventories

	Group 2014 RM	Group 2013 RM
Cost:		
Crude palm oil	3,729,056	9,290,893
Palm kernel	351,975	259,898
Fertilisers and chemicals	988,373	888,871
Store, spares and consumable supplies	937,202	1,148,691
Oil palm seedlings	1,367,746	538,398
	7,374,352	12,126,751
Less: Provision for obsolete stock	-	(129,758)
	7,374,352	11,996,993

There were no inventories stated at net realisable value as at 30 June 2014 and 2013.

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM20,488,042 (2013: RM14,641,661).

29. Cash and bank balances

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Cash at banks and on hand	12,068,477	17,013,240	781,742	7,766,955
Deposits with licensed banks	2,366,103	2,324,837	-	-
Cash and bank balances	14,434,580	19,338,077	781,742	7,766,955

29. Cash and bank balances (Cont'd)

Deposits are made for varying periods of between 1 day and 1 month on a renewable basis at maturity dates. The interest rates as at 30 June 2014 for the Group were ranging from 2.5% to 3.15% (2013: 2.5% to 3.15%).

Deposits with licensed banks of the Group amounting to RM1,366,103 (2013: RM1,324,837) are pledged as securities for borrowings (Note 30).

For the purposes of the cash flow statements, cash and cash equivalents comprise the following as at the reporting date:

	Group		Company	
	2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Cash and bank balances	14,434,580	19,338,077	781,742	7,766,955
Bank overdrafts (Note 30)	(4,891,222)	(175,006)	(4,094,018)	-
Deposit with licensed bank pledged to bank	(1,366,103)	(1,324,837)	-	-
Cash and cash equivalents	8,177,255	17,838,234	(3,312,276)	7,766,955

30. Loans and borrowings

	Maturity	Group		Company	
		2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Current					
Secured:					
Obligations under finance leases (Note 38(c))	within one year	1,220,181	1,349,336	209,558	197,869
Bankers' acceptance	on demand	1,040,000	588,000	-	-
Bank overdrafts (Note 29)	on demand	4,891,222	175,006	4,094,018	-
Revolving credits	within one year	54,700,000	37,000,000	27,000,000	18,500,000
Term loans					
- 5.35% p.a. fixed rate bank loan		-	889,472	-	-
- Loan at COF + 1.68%	within one year	6,801,177	6,761,163	6,695,676	6,695,676
- Loan at BLR + 0.75%	within one year	598,254	557,585	-	-
- Loan at COF + 1.75%	within one year	6,107,340	4,079,487	6,123,636	4,093,027
- Loan at BLR + 1.0%	within one year	2,041,200	1,945,803	-	-
		77,399,374	53,345,852	44,122,888	29,486,572

30. Loans and borrowings (Cont'd)

	Maturity	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Non-current					
Secured:					
Obligations under finance lease (Note 38(c))	2015 - 2017	1,726,964	2,383,880	159,429	368,988
Term loans					
- Loan at COF + 1.68%	2020 - 2021	37,174,693	44,196,024	37,174,693	44,196,024
- Loan at BLR + 0.75%	2016	1,673,942	2,317,053	-	-
- Loan at COF + 1.75%	2018	24,439,173	30,500,000	24,439,173	30,500,000
- Loan at BLR + 1.0%	2016	1,073,154	3,131,239	-	-
- Loan at ECOF + 1.68%	2025	6,750,000	-	-	-
		72,837,926	82,528,196	61,773,295	75,065,012
Total loans and borrowings		150,237,300	135,874,048	105,896,183	104,551,584

The remaining maturities of the loans and borrowings as at reporting date are as follows:

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
On demand or within one year	77,399,374	53,345,852	44,122,888	29,486,572
More than 1 year and less than 2 years	17,380,573	18,504,151	14,819,944	14,905,234
More than 2 year and less than 5 years	40,073,189	46,610,725	36,561,362	42,746,458
5 years or more	15,384,164	17,413,320	10,391,989	17,413,320
	150,237,300	135,874,048	105,896,183	104,551,584

Obligation under finance leases

These obligations were secured by a charge over the lease assets (Note 17). The average discount rate implicit in the leases was 5.87% p.a. (2013: 5.83% p.a.). These obligations were denominated in RM.

Bankers' acceptance

Bankers' acceptance bears interest at Bank's COF + 1.25% p.a. and is secured by:
(i) legal charges over certain leasehold land, land use rights and biological assets of subsidiary companies;
(ii) debentures incorporating fixed and floating charges over all the assets of subsidiary companies presently owned and subsequently acquired; and
(iii) corporate guarantees given by the Company.

Bank overdrafts

Bank overdrafts bear interest at range from 7.1% to 7.6% p.a. (2013: 7.6% p.a.) and are secured by:
(i) legal charges over certain leasehold land, land use rights and biological assets of the Company and a subsidiary companies
(ii) debentures incorporating fixed and floating charges over all the assets of a subsidiary company presently owned and subsequently acquired; and
(iii) corporate guarantees given by the Company and subsidiary companies.

30. Loans and borrowings (Cont'd)

Revolving credits

Revolving credits are rollovered on a monthly basis subject to bank's review and bear interests at 4.7% (2013: 4.7% p.a.) and are secured by:
(i) legal charges over certain leasehold land, land use rights and biological assets of the Company and subsidiary company;
(ii) debentures incorporating fixed and floating charges over all the assets of subsidiary companies presently owned and subsequently acquired; and
(iii) corporate guarantees given by the Company and subsidiary companies.

5.35% p.a. fixed rate bank loan

This loan is secured by:
(i) deed of assignment over investment property of a subsidiary company; and
(ii) corporate guarantees given by the Company.

Bank loans at COF + 1.68%

These loans are secured by:
(i) legal charges over certain leasehold land and biological assets of the Company and a subsidiary company; and
(ii) debenture incorporating fixed and floating charges over all the assets of a subsidiary company presently owned and subsequently acquired, and the palm oil mill of a subsidiary.

Bank loan at BLR + 0.75% p.a.

This loan is secured by:
(i) legal charges over certain leasehold land of subsidiary companies;
(ii) debentures over all the certain assets of a subsidiary company; and
(iii) corporate guarantees given by the Company.

Bank loan at COF + 1.75% p.a.

This loan is secured by:
(i) legal charges over certain leasehold land, land use rights and biological assets of subsidiary companies; and
(ii) a pledge of fixed deposit amounting to RM1.2 million from a subsidiary.

Bank loan at BLR + 1.0% p.a.

This loan is secured by:
(i) legal charges over certain leasehold land, land use rights and biological assets of subsidiary companies;
(ii) debentures incorporating fixed and floating charges over all the assets of a subsidiary company presently owned and subsequently acquired; and
(iii) corporate guarantees given by the Company.

Bank loan at ECOF + 1.68% p.a.

This loan is secured by:
(i) legal charges over certain long leasehold land, land use rights and biological assets of subsidiary and the Company;
(ii) a corporate guarantee given by Company; and
(iii) the palm oil mill of a subsidiary.

31. Trade and other payables

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Trade payables				
Third parties	11,269,575	11,253,659	-	-
Other payables				
Accruals	3,502,114	3,451,314	597,839	517,083
Sundry payables	3,834,234	4,289,379	153,128	169,316
	7,336,348	7,740,693	750,967	686,399
Total trade and other payables	18,605,923	18,994,352	750,967	686,399
Add: Loans and borrowings (Note 30)	150,237,300	135,874,048	105,896,183	104,551,584
Total financial liabilities carried at amortised cost	168,843,223	154,868,400	106,647,150	105,237,983

(a) Trade payables

Trade payables are non-interest bearing. Trade payables are normally settled on 30 day to 90 day (2013: 30 day to 90 day) terms.

(b) Financial guarantees

The fair value of financial guarantees provided by the Company to the banks to secure banking/credit facilities granted to its subsidiaries as disclosed in Note 30 with nominal amount of RM312,532,000 (2013: RM97,232,000) are negligible as the probability of the f inancial guarantees being called upon is remote due to the outstanding loans and borrowings are adequately secured by properties, plant and equipment and biological assets of the subsidiary companies which their market values upon realisation are higher than the outstanding loan and borrowing amounts.

32. Deferred tax

Deferred income tax as at reporting date relates to the following:

Group	As at 1 July 2012 RM (Restated)	Acquisition of a subsidiary RM	Exchange differences RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	As at 30 June 2013 RM (Restated)	Exchange differences RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	As at 30 June 2014 RM
Deferred tax liabilities:										
Property, plant and equipment and biological assets	39,381,854	-	-	(15,022,726)	-	24,359,128	-	345,401	-	24,704,529
Revaluation of property, plant and equipment and biological assets	47,290,646	-	-	14,563,019	4,407,161	66,260,826	-	(1,091,241)	2,935,312	68,104,897
	88,672,500	-	-	(459,707)	4,407,161	90,619,954	-	(745,840)	2,935,312	92,809,426
Deferred tax assets:										
Property, plant and equipment and biological assets	-	(644,165)	2,563	154,384	-	(487,218)	76,426	330,425	-	(80,367)
Inventories	(102,392)	-	-	(186,658)	-	(289,050)	-	(4,588)	-	(293,638)
Unabsorbed capital and agriculture allowances	(575,155)	-	-	30,247	-	(544,908)	-	508,734	-	(36,174)
Unutilised tax losses	(5,550)	-	-	5,550	-	-	-	-	-	-
	(683,097)	(644,165)	2,563	3,523	-	(1,321,176)	76,426	834,571	-	(410,179)
	85,989,403	(644,165)	2,563	(456,184)	4,407,161	89,298,778	76,426	88,731	2,935,312	92,399,247

32. Deferred tax (Cont'd)

	As at 1 July 2012 RM (Restated)	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	As at 30 June 2013 RM (Restated)	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	As at 30 June 2014 RM
Company							
Deferred tax liabilities:							
Property, plant and equipment and biological assets	324,231	(15,944)	-	308,287	(34,342)	-	582,232
Revaluation of property, plant and equipment and biological assets	6,172,677	(104,382)	575,636	6,643,931	(113,836)	392,440	13,566,466
	6,496,908	(120,326)	575,636	6,952,218	(148,178)	392,440	14,148,698
Deferred tax assets:							
Unabsorbed capital allowances	(324,231)	15,945	-	(308,286)	308,286	-	(308,286)
	6,172,677	(104,381)	575,636	6,643,932	160,108	392,440	13,840,412

	Group 2014 RM	Group 2013 RM (Restated)	Group 2012 RM (Restated)	Company 2014 RM	Company 2013 RM (Restated)	Company 2012 RM (Restated)
Presented after appropriate offsetting as follows:						
Deferred tax assets	(80,367)	(487,218)	-	-	-	-
Deferred tax liabilities	92,479,614	89,785,996	85,989,403	7,196,480	6,643,932	6,172,677
	92,399,247	89,298,778	85,989,403	7,196,480	6,643,932	6,172,677

Unrecognised deferred tax assets

Due to uncertainty of recoverability, deferred tax assets have not been recognised in respect of the following items which are available for offset against future taxable profits of the respective subsidiaries in which those items arose:

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Unabsorbed reinvestment allowances	19,579,027	19,579,027	-	-
Unutilised tax losses	6,303,464	2,898,485	-	-
Unabsorbed capital and agriculture allowances	32,919,009	32,514,180	12,463,129	11,229,980
Other deductible temporary differences	1,263,112	1,850,574	-	420
	60,064,612	56,842,266	12,463,129	11,230,400

The availability of unutilised tax losses and unabsorbed capital and agriculture allowances for offsetting against future taxable profits of the Company and the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority.

33. Estimated liabilities for post-employment benefits

The amount of estimated liabilities for post-employment benefit is in respect of an Indonesian subsidiary company calculated based on Labor Law No.13 of 2003 dated March 25, 2003 issued by Indonesian Labor Law. The Group did not provide special funding for such estimated post-employment benefits.

The Group did not use any actuarial services to calculate the amount of estimated liabilities for post-employment benefits. Based on the Group's calculation, there were 24 employees eligible for such post-employment benefits in 2014.

The details of estimated post-employment benefit expenses for the year ended 30 June, 2014 and 2013 are as follows:

	Group	
	2014 RM	**2013 RM**
Current service cost	39,123	10,494
Interest cost	3,786	630
Exchange difference	(1,772)	-
Total	41,137	11,124

The estimated post-employment benefit expenses are presented as part of Administrative Expenses in the Statements of Comprehensive Income.

Changes in the estimated liabilities for post-employment benefits as of 30 June 2014 and 2013 are as follows:

	Group	
	2014 RM	**2013 RM**
Balance beginning	11,124	-
Benefit expenses - current period	41,137	11,124
Ending balance	52,261	11,124

The main assumptions used in calculating the estimated post-employment benefits are as follows:

		Group	
		2014	**2013**
Normal Pension Age	:	55 Years	55 years
Annual Discount Rate	:	9%	6%
Annual Salary Increment Rate	:	5%	3%

34. Share capital, share premium and treasury shares

	Number of ordinary shares of RM1 each		Amount			
	Share capital (Issued and fully paid)	Treasury share	Share capital (Issued and fully paid) RM	Share premium RM	Total share capital and share premium RM	Treasury share RM
At 1 July 2012	222,912,569	(6,598,300)	222,912,569	17,949,950	240,862,519	(5,325,898)
Purchase of treasury shares	-	(3,100)	-	-	-	(3,151)
Transaction costs	-	-	-	-	-	(86)
At 30 June 2013	222,912,569	(6,601,400)	222,912,569	17,949,950	240,862,519	(5,329,135)
Purchase of treasury shares	-	(20,000)	-	-	-	(21,700)
Transaction costs	-	-	-	-	-	(159)
At 30 June 2014	222,912,569	(6,621,400)	222,912,569	17,949,950	240,862,519	(5,350,994)

	Number of ordinary shares of RM1 each		Amount	
	2014	2013	2014 RM	2013 RM
Authorised share capital				
At beginning and end of year	500,000,000	500,000,000	500,000,000	500,000,000

a) Share capital

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

b) Treasury shares

This amount relates to the acquisition cost of treasury shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

During the financial year, the Company repurchased 20,000 (2013: 3,100) of its issued ordinary shares from the open market at an average price of RM1.085 (2013: RM1.015) per share. The total consideration paid for the repurchase including transaction costs was RM21,859 (2013: RM3,237).

Of the total 222,912,569 (2013: 222,912,569) issued and fully paid ordinary shares as at 30 June 2014, 6,621,400 (2013: 6,601,400) are held as treasury shares by the Company. As at 30 June 2014, the number of outstanding ordinary shares in issue and fully paid is therefore 216,291,169 (2013: 216,311,169) ordinary shares of RM1 each.

35. Revaluation reserves

	Group		Company	
	2014 RM	2013 RM (Restated)	2014 RM	2013 RM (Restated)
At beginning of year:				
- as previously reported	144,292,850	146,707,401	20,812,848	20,879,675
- prior year adjustment (Note 44)	180,956,771	157,078,333	22,226,046	18,920,809
- as restated	325,249,621	303,785,734	43,038,894	39,800,484
Other comprehensive income:				
- Effect of reduction in tax rate	234,334	-	34,923	-
- Revaluation of property, plant and equipment and biological assets	13,242,399	23,617,469	2,451,666	3,566,267
Realised during the year	(3,528,754)	(2,153,582)	(360,483)	(327,857)
At end of year	335,197,600	325,249,621	45,165,000	43,038,894

The revaluation reserves represent surplus on revaluation of leasehold land and biological assets, net of deferred tax effects as deferred in Note 17 and 19.

36. Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

37. Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties at terms agreed between the parties during the financial year:

	2014 RM	2013 RM
Group		
Transactions with a company in which a family member of Yap Phing Cern and Yap Fei Chien have financial interest:		
Lambang Positif Sdn. Bhd.		
- Rental paid	18,000	18,000
Transactions with a company in which Yap Phing Cern and Yap Fei Chien have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	205,200	209,700
- Purchase of fresh fruit bunches	172,828	146,464
- Sublease rental income	492	492

37. Related party transactions (Cont'd)

(a) Sale and purchase of goods and services (Cont'd)

	2014 RM	2013 RM
Group (Cont'd)		
Transactions with a company in which Oh Kim Sun has financial interest:		
Agromate (M) Sdn. Bhd.		
- Purchase of fertilisers	5,171,904	6,575,448
Company		
Transactions with a company in which the Yap Phing Cern and Yap Fei Chien have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	66,000	64,500
Transactions with joint venture:		
Sinermaju Sdn. Bhd.		
- Interest income on advances	442,710	284,971
Transactions with subsidiaries:		
Sparkle Selections Sdn. Bhd.		
- Interest income on advances	41,266	41,170
Tanah Emas Oil Palm Processing Sdn. Bhd.		
- Sale of fresh fruit bunches	8,396,476	8,126,640
- Management f ee income	509,100	625,850
- Dividend income	7,500,000	5,000,000
- Interest income on advances	319,896	645,991
Yapidmas Plantation Sdn. Bhd.		
- Management fee income	153,200	195,000
- Plantation management fee	414,963	414,963
- Dividend income	5,000,000	1,500,000
- Interest income on advances	905,950	737,424
Ladang Kluang Sdn. Bhd.		
- Management fee income	73,100	92,625
- Dividend income	1,000,000	2,000,000
Sri Kehuma Sdn. Bhd.		
- Management fee income	105,300	133,550
- Dividend income	600,000	2,000,000
- Interest income on advances	155,205	177,156
Ladang Tunas Hijau Sdn. Bhd.		
- Management fee income	4,400	4,825
- Interest income on advances	22,447	23,212
Tanah Emas Construction Sdn. Bhd.		
- Management fee income	12,700	15,350
- Interest income on advances	162,974	139,503
Spectrum 88 Sdn. Bhd.		
- Interest on advances	-	8,323
Tanah Emas Properties Sdn. Bhd.		
- Interest income on advances	282,107	39,198
Jasutera Sdn. Bhd.		
- Dividend income	190,000	-

37. Related party transactions (Cont'd)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Short-term employee benefits	6,356,510	6,781,610	2,016,700	1,970,571
Included in the total key management personnel are:				
Directors' remuneration	3,529,537	3,451,049	1,380,803	1,120,321

38. Commitments

a) Capital commitments

Capital expenditure commitments as at the reporting date are as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Capital expenditure				
Approved and contracted for:				
Plant and machinery	30,919	-	-	-
Buildings	636,312	758,075	-	-
Investment in subsidiary companies	11,425,244	1,998,360	11,425,224	1,998,360
	12,092,475	2,756,435	11,425,224	1,998,360
Approved but not contracted for:				
Buildings	6,934,310	2,351,836	-	-
Furniture, fittings and equipment	161,981	129,980	-	-
Plant and machinery	3,794,650	778,150	360,000	-
Heavy equipment and motor vehicles	3,024,000	1,103,000	105,000	-
Plantation infrastructure development expenditure	2,000,000	1,138,000	-	-
	15,914,941	5,500,966	465,000	-
	28,007,416	8,257,401	11,890,224	1,998,360

38. Commitments (Cont'd)

b) Operating lease commitments – as lessee

Details of land use rights and the amortisation of land use rights recognised in profit or loss for the financial year ended 30 June 2014 are disclosed in Note 18 to the financial statements.

c) Finance lease commitments

The Group and the Company have finance leases for certain items of heavy equipment and motor vehicles (Note 17). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Minimum lease payments:				
Not later than 1 year	1,360,296	1,531,658	224,448	224,448
Later than 1 year and not later than 2 years	999,123	1,215,528	129,004	224,448
Later than 2 years and not later than 5 years	842,033	1,345,024	36,024	165,028
Total minimum lease payments	3,201,452	4,092,210	389,476	613,924
Less: Amounts representing finance changes	(254,307)	(358,994)	(20,489)	(47,067)
Present value of minimum lease payments	2,947,145	3,733,216	368,987	566,857
Present value of payments:				
Not later than 1 year	1,220,181	1,349,336	209,558	197,869
Later than 1 year and not later than 2 years	926,260	1,106,391	124,268	209,559
Later than 2 years and not later than 5 years	800,704	1,277,489	35,161	159,429
Present value of minimum lease payments	2,947,145	3,733,216	368,987	566,857
Less: Amount due within 12 months (Note 30)	(1,220,181)	(1,349,336)	(209,558)	(197,869)
Amount due after 12 months (Note 30)	1,726,964	2,383,880	159,429	368,988

39. Fair value measurement

The following table provides the fair values measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets/(liabilities) as at 30 June 2014:

	Date of valuation	Fair value measurement using Total RM	Significant observable inputs (Level 2) RM
Assets for which fair values are disclosed:			
Investment properties (Note 20)	30.6.2014	60,125,800	60,125,800
Liabilities for which fair values are disclosed (Note 30):			
Loans and borrowings			
- Obligations under finance leases	30.6.2014	1,467,084	1,467,084
Assets measured at fair value:			
Revalued property, plant and equipment			
- Leasehold land (Note 17)	30.6.2014	308,508,559	308,508,559
- Biological assets (Note 19)	30.6.2014	302,356,110	302,356,110

There have been no transfers between Level 1 and Level 2 during the period.

As at 30 June 2013, there were no financial instruments measured at fair value.

40. Fair value of financial instruments

Set out below, is a comparison by classes of the carrying amounts and fair values of the financial instruments, other than those with carrying amounts are reasonable approximate of fair value:

	Note	Group Carrying amount RM	Group Fair value RM	Company Carrying amount RM	Company Fair value RM
2014					
Financial liabilities:					
Loans and borrowings (non-current)					
- Obligations under finance leases	30	1,726,964	1,467,084	159,429	139,074

40. Fair value of financial instruments (Cont'd)

		Group		Company	
	Note	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
2013					
Financial liabilities:					
Loans and borrowings (non-current)					
- Obligations under finance leases	30	2,383,880	2,011,453	368,988	316,003

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, short-term loan and borrowings and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The carrying amounts of non-current loans and borrowings are reasonable approximations of fair values as they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The following methods and assumptions were used to estimate the fair value:

Finance lease obligations and fixed rate bank loans

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default;
- The estimated loss exposure if the party guaranteed were to default.

The fair value of the financial guarantees is negligible as the probability of the financial guarantees being called is remote as those subsidiaries will be able to meet their short term loans and borrowings obligations as and when they are due.

41. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group Finance Department overseen by an Executive Director. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial years, the Group's policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

41. Financial risk management objectives and policies (Cont'd)

a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty defaults on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position; and
- A nominal amount of RM312,532,000 (2013: RM97,232,000) relating to corporate guarantees provided by the Company to the banks to secure banking/credit facilities granted to its subsidiaries.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 25.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2014		2013	
	RM	% of total	RM	% of total
By industry sectors:				
Plantation and mill	2,863,946	48%	2,646,219	42%
Others	3,097,338	52%	3,712,008	58%
	5,961,284	100%	6,358,227	100%

At the reporting date, approximately 61% (2013: 52%) of the Group's trade receivables are due from 2 major customers which are subsidiaries of well-established listed companies.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 25. Deposits with banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 25.

41. Financial risk management objectives and policies (Cont'd)

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness. At the reporting date, approximately 52% (2013: 39%) of the Group's loans and borrowings and approximately 42% (2013: 28%) of the Company's loans and borrowings (Note 30) will mature in less than one year based on the carrying amount reflected in the financial statements.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the reporting date based on contractual undiscounted amounts:

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
2014				
Financial assets:				
Trade and other receivables	7,487,063	39,670,000	-	47,157,063
Total cash and bank balances	14,434,580	-	-	14,434,580
Total undiscounted financial assets	21,921,643	39,670,000	-	61,591,643
Financial liabilities:				
Trade and other payables	18,605,923	-	-	18,605,923
Loans and borrowings	82,248,832	76,297,625	18,115,331	176,661,788
Total undiscounted financial liabilities	100,854,755	76,297,625	18,115,331	195,267,711
Total net undiscounted financial liabilities	(78,933,112)	(36,627,625)	(18,115,331)	(133,676,068)

41. Financial risk management objectives and policies (Cont'd)

b) Liquidity risk (Cont'd)

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2013				
Financial assets:				
Trade and other receivables	10,068,989	36,671,852	-	46,740,841
Total cash and bank balances	19,338,077	-	-	19,338,077
Total undiscounted financial assets	29,407,066	36,671,852	-	66,078,918
Financial liabilities:				
Trade and other payables	18,994,352	-	-	18,994,352
Loans and borrowings	58,979,048	77,206,460	18,983,703	155,169,211
Total undiscounted financial liabilities	77,973,400	77,206,460	18,983,703	174,163,563
Total net undiscounted financial liabilities	(48,566,334)	(40,534,608)	(18,983,703)	(108,084,645)
Company				
2014				
Financial assets:				
Trade and other receivables	94,080,692	35,793,540	-	129,874,232
Total cash and bank balances	781,742	-	-	781,742
Total undiscounted financial assets	94,862,434	35,793,540	-	130,655,974
Financial liabilities:				
Trade and other payables	750,967	-	-	750,967
Loans and borrowings	47,936,875	68,554,978	12,346,967	128,838,820
Total undiscounted financial liabilities	48,687,842	68,554,978	12,346,967	129,589,787
Total net undiscounted financial assets/(liabilities)	46,174,592	(32,761,438)	(12,346,967)	1,066,187

41. Financial risk management objectives and policies (Cont'd)

b) Liquidity risk (Cont'd)

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2013				
Financial assets:				
Trade and other receivables	87,885,516	32,262,816	-	120,148,332
Total cash and bank balances	7,766,955	-	-	7,766,955
Total undiscounted financial assets	95,652,471	32,262,816	-	127,915,287
Financial liabilities:				
Trade and other payables	686,399	-	-	686,399
Loans and borrowings	34,304,494	69,094,416	18,983,703	122,382,613
Total undiscounted financial liabilities	34,990,893	69,094,416	18,983,703	123,069,012
Total net undiscounted financial assets/(liabilities)	60,661,578	(36,831,600)	(18,983,703)	4,846,275

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM85,302 (2013: RM72,520) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to currency translation risk arising from its net investment in Hong Kong, British Virgin Island, Cambodia and Indonesia subsidiaries. The Group's net investment in Hong Kong, British Virgin Island, Cambodia and Indonesia is not hedged as currency position in Hong Kong Dollar, US Dollar and Indonesia Rupiah are considered to be long-term in nature.

41. Financial risk management objectives and policies (Cont'd)

d) Foreign currency risk (Cont'd)

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances (mainly in USD) amounted to RM35,813 (2013: RM1,114,182).

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD and IDR exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

		2014 RM	2013 RM
Profit net of tax			
USD/RM	- strengthened 5%	1,790	55,709
	- weakened 5%	(1,790)	(55,709)
IDR/RM	- strengthened 5%	27,156	18,552
	- weakened 5%	(27,156)	(18,552)

42. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2014 and 30 June 2013.

The Group monitors capital using a gearing ratio, which is total loans and borrowings, trade and other payables, less cash and cash equivalents divided by capital plus net debt. The Group's policy is to maintain the gearing ratio within 60%. The calculations of the Group's and Company's gearing ratios are as follows:

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Trade and other payables (Note 31)	18,605,923	18,994,352	750,967	686,399
Loans and borrowings (Note 30)	150,237,300	135,874,048	105,896,183	104,551,584
Less: Cash and bank balances (Note 29)	(14,434,580)	(19,338,077)	(781,742)	(7,766,955)
Net debt	154,408,643	135,530,323	105,865,408	97,471,028
Equity attributable to the owners of the parent	636,849,879	615,368,283	249,144,293	234,303,556
Capital and net debt	791,258,522	750,898,606	355,009,697	331,774,584
Gearing ratio	20%	18%	30%	29%

43. Segment information

For management purposes, the Group is organised into business units based on their products and services, and reportable operating segments as follows:

(i) The plantations and mill segment is in the business of cultivation of oil palm, processing of crude palm oil and palm kernel.

(ii) The other segments is in the business of property holding, provision of general construction and civil works and property developer.

Except as indicated above, no operating segment has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

43. Segment information (Cont'd)

	Plantation and mill		Others		Adjustments and eliminations			Per consolidated financial statements	
	2014 RM	2013 RM	2014 RM	2013 RM	2014 RM	2013 RM	Notes	2014 RM	2013 RM
Revenue:									
External customers	189,765,683	184,503,720	-	26,524	-	-		189,765,683	184,530,244
Inter-segment	-	-	16,407,482	11,572,700	(16,407,482)	(11,572,700)	(a)	-	-
Total revenue	189,765,683	184,503,720	16,407,482	11,599,224	(16,407,482)	(11,572,700)		189,765,683	184,530,244
Results:									
Interest income	57,137	48,564	484,250	712,331	-	-		541,387	760,895
Depreciation and amortisation	10,083,416	9,818,548	1,284,721	1,349,557	-	-		11,368,137	11,168,105
Other non-cash expenses	15,434	16,979	1,473,997	225,120	-	-	(b)	1,489,431	242,099
Segment profit/(loss)	34,298,850	20,986,212	(4,230,234)	(6,470,682)	(8,149,859)	(7,379,180)	(c)	20,474,884	5,522,973
Assets:									
Additions to non-current assets	18,122,961	15,912,933	692,761	919,166	-	-	(d)	18,815,722	16,832,099
Segment assets	760,103,893	736,572,905	136,504,938	119,843,831	3,269,277	6,325,437	(e)	899,878,108	862,742,173
Liabilities:									
Segment liabilities	13,172,302	16,217,129	5,566,249	3,275,565	243,308,833	226,205,361	(f)	262,047,384	245,698,055

43. Segment information (Cont'd)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

(a) Inter-segment revenues are eliminated on consolidation.

(b) Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	2014 RM	2013 RM
Loss on fair value of financial assets	353,716	-
Allowance for impairment on nursery	-	15,529
Allowance for impairment on trade receivables	798,447	69,720
Bad debts written off	183,484	154,725
Loss on disposal of property, plant and equipment	138,350	-
Plant and equipment scrapped	10,920	2,125
Inventories written off	4,514	-
	1,489,431	242,099

(c) The following items are deducted from segment profit to arrive at "Profit before tax" presented in the consolidated income statement:

	2014 RM	2013 RM
Finance costs	7,207,269	6,990,536
Share of results of joint venture	942,590	388,644
	8,149,859	7,379,180

(d) Additions to non-current assets consist of:

	2014 RM	2013 RM
Property, plant and equipment	5,624,433	7,707,482
Biological assets	8,761,884	8,081,569
Land use rights	4,429,405	1,043,048
	18,815,722	16,832,099

(e) The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2014 RM	2013 RM
Deferred tax assets	80,367	487,218
Tax recoverable	-	2,649,309
Inter-segment assets	3,188,910	3,188,910
	3,269,277	6,325,437

43. Segment information (Cont'd)

(f) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2014 RM	2013 RM (Restated)
Deferred tax liabilities	92,479,614	87,785,996
Income tax payable	672,286	1,032,535
Loans and borrowings	150,237,300	135,874,048
	243,389,200	226,692,529

44. Prior year adjustment

During the financial year, the directors have reconsidered the appropriateness of the accounting policies for property, plant and equipment and biological assets of the Group and of the Company. Arising from their assessment, the directors have determined that the application of the cost model to the plantation infrastructure and plant and machinery of the Group and the plantation infrastructure of the Company will provide more relevant information about these assets. Plantation infrastructure and plant and machinery were previously measured at fair value less accumulated depreciation and accumulated impairment losses. The effects of this change in accounting policy have been adjusted retrospectively.

Leasehold land and biological assets of the Group and of the Company are measured at fair value less accumulated depreciation and accumulated impairment losses. The directors, in consultation with their external valuers, have determined that there have been annual increases in the fair value of leasehold land and biological assets since financial year ended 30 June 2010. Adjustments have been made to the financial statements to attribute the increases in fair value to the respective financial years.

The effects of the above adjustments to the financial statements of the Group and of the Company are summarised below:

Effects on statement of comprehensive income for the year ended 30 June 2013:

	Group			Company		
	Previously stated RM	Adjustment RM	Restated RM	Previously stated RM	Adjustment RM	Restated RM
Cost of sale	158,285,910	1,750,492	160,036,402	4,589,344	343,136	4,932,480
Income tax expense	4,236,387	(420,208)	3,816,179	638,720	(82,106)	556,614
Profit for the year	3,037,078	(1,330,284)	1,706,794	7,064,854	(261,030)	6,803,824
Other comprehensive income	43,488	25,230,846	25,274,334	-	3,147,848	3,147,848

44. Prior year adjustment (Cont'd)

Effects on statement of financial position as at 30 June 2013:

	Group			Company		
	Previously stated RM	Adjustment RM	Restated RM	Previously stated RM	Adjustment RM	Restated RM
Property, plant and equipment	183,515,690	176,015,730	359,531,420	19,203,844	22,951,926	42,155,770
Biological assets	243,685,159	48,982,479	292,667,638	31,840,000	4,771,650	36,611,650
Deferred tax liabilities	48,494,632	41,291,364	89,785,996	1,146,402	5,497,530	6,643,932
Retained earnings/ (accumulated losses)	51,806,344	2,750,074	54,556,418	(44,268,722)	-	(44,268,722)
Revaluation reserves	144,292,850	180,956,771	325,249,621	20,812,848	22,226,046	43,038,894

The effects of the above adjustments to the financial statements of the Group and of the Company are summarised below:

Effects on statement of financial position as at 30 June 2012:

	Group			Company		
	Previously stated RM	Adjustment RM	Restated RM	Previously stated RM	Adjustment RM	Restated RM
Property, plant and equipment	183,576,726	159,402,659	342,979,385	19,815,604	20,896,570	40,712,174
Biological assets	230,990,712	39,321,412	270,312,124	31,840,000	3,028,239	34,868,239
Deferred tax liabilities	48,684,992	37,304,411	85,989,403	1,168,677	5,004,000	6,172,677
Retained earnings/ (accumulated losses)	52,806,639	4,341,327	57,147,966	(44,910,986)	-	(44,910,986)
Revaluation reserves	146,707,401	157,078,333	303,785,734	20,879,675	18,920,809	39,800,484

45. Event occurring after the reporting date

On 15 August 2014, the Company acquired 100% equity interest in Mirabumi Sdn. Bhd. for a purchase consideration of RM7,000,000, which in turn holds 60% equity interest in Winapermai Sdn. Bhd., a company incorporated in Malaysia and engaged in property development activities.

46. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2014 were authorised for issue in accordance with a resolution of the directors on 31 October 2014.

47. Supplementary information – breakdown of retained earnings into realised and unrealised

The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company as at 30 June 2014 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits of Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	2014		2013	
	Group RM	Company RM	Group RM (Restated)	Company RM (Restated)
Total retained earnings/(accumulated losses) of the Company and its subsidiaries				
- Realised	192,623,140	(26,100,872)	170,595,823	(43,122,320)
- Unrealised	(89,613,757)	(5,431,360)	(84,421,330)	(1,146,402)
	103,009,383	(31,532,232)	86,174,493	(44,268,722)
Less: Consolidation adjustments	(31,885,058)	-	(31,618,075)	-
Retained earnings/(accumulated losses) as per financial statements	71,124,325	(31,532,232)	54,556,418	(44,268,722)

LIST OF PROPERTIES

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Net Book Value As At 30 June 2014 RM'000	Date of revaluation/ acquisition
ESTATES/PLANTATION LAND							
Golden Land Berhad	TECB Division, Mile 74, Labuk Road, Beluran, Sabah	Cultivated with oil palm	836.100	99 years expiring 2068	N/A	77,854	29.11.2013
Ladang Kluang Sdn Bhd	LK Division, Bidu Bidu, District of Labuk/ Sugut, Sabah	Cultivated with oil palm	662.911	99 years expiring from 2074 to 2092	N/A	41,093	29.11.2013
	LK Division 1, Mile 75, Labuk Road, District of Labuk Sugut, Sabah	Cultivated with oil palm	202.465	99 years expiring from 2091 to 2099	N/A	15,930	29.11.2013
Sri Kehuma Sdn Bhd	YP Division, Mile 75, Labuk Road, District of Labuk/ Sugut, Sabah	Cultivated with oil palm	840.712	99 years expiring from 2068 to 2083	N/A	53,569	29.11.2013
	SK Division, Mile 76, Labuk Road, District of Labuk/ Sugut, Sabah	Cultivated with oil palm	611.937	99 years expiring from 2070 to 2081	N/A	41,197	29.11.2013
	SK Division 1, Mile 79, Telupid, District of Labuk Sugut, Sabah	Cultivated with oil palm	96.141	99 years expiring from 2091 to 2098	N/A	7,230	29.11.2013
Yapidmas Plantation Sdn Bhd	SM Division, Mile 76, Labuk Rd, District of Labuk/ Sugut, Sabah	Cultivated with oil palm	1,698.221	99 years expiring from 2078 to 2098	N/A	128,007	29.11.2013
	CR Division, Sg. Ruku-Ruku District of Kinabatangan, Sabah	Cultivated with oil palm	1,145.048	99 years expiring from 2080 to 2091	N/A	87,844	29.11.2013
	YP D Division, Telupid, District of Labuk/Sugut, Sabah	Cultivated with oil palm	186.326	99 years expiring 2075	N/A	14,058	29.11.2013

LIST OF PROPERTIES (CONT'D)

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Net Book Value As At 30 June 2014 RM'000	Date of revaluation/ acquisition
ESTATES/PLANTATION LAND (CONT'D)							
	Kuamut, District of Kinabatangan, Sabah	Cultivated with oil palm	197.244	99 years expiring 2079	N/A	4,409	29.11.2013
	Karamuak Division, Sg Karamuak, District of Kinabatangan, Sabah	Cultivated with oil palm	417.523	99 years expiring 2095 and 2098	N/A	31,317	29.11.2013
	Sg Melian Division, Sg. Melian, District of Kinabatangan, Sabah	Cultivated with oil palm	326.416	99 years expiring 2037 to 2098	N/A	19,053	29.11.2013
	SM D Division, Sg Ruku Ruku, District of Labuk/ Sugut, Sabah	Cultivated with oil palm	237.814	99 years expiring 2094	N/A	13,439	29.11.2013
	Sg. Imbak Division, Sg. Imbak, District of Kinabatangan, Sabah	Cultivated with oil palm	114.385	99 years expiring 2096	N/A	3,846	29.11.2013
	CR Division, Mile 76, Labuk Road, District of Beluran, Sabah	Cultivated with oil palm	133.814	99 years expiring 2081	N/A	11,386	29.11.2013
	SM Division, Sg Ruku-Ruku, District of Beluran, Sabah	Cultivated with oil palm	34.741	99 years expiring 2080	N/A	2,767	29.11.2013
	SM3 Division, Telupid, District of Labuk/Sugut, Sabah	Cultivated with oil palm	199.377	30 years expiring 2038	N/A	10,167	29.11.2013
	Kuamut, District of Kinabatangan, Sabah	Cultivated with oil palm	927.306	30 years expiring 2035 to 2041	N/A	32,689	29.11.2013

LIST OF PROPERTIES (CONT'D)

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Net Book Value As At 30 June 2014 RM'000	Date of revaluation/ acquisition
ESTATES/PLANTATION LAND (CONT'D)							
	Sg. Imbak, District of Kinabatangan, Sabah	Cultivated with oil palm	220.719	30 years expiring 2035	N/A	12,974	29.11.2013
	Sg Melian 2, District of Kinabatangan, Sabah	Cultivated with oil palm	91.220	30 years expiring 2037 to 2040	N/A	2,531	29.11.2013
	Jasutera, District of Labuk & Sugut, Sabah	Cultivated with oil palm	184.375	99 years expiring 2076	N/A	12,646	29.11.2013
	Kuamut, District of Tongod, Sabah	Vacant land	662.499	30 years expiring 2037 to 2041	N/A	10,695	29.11.2013
	Sg Karamuak, District of Kinabatangan, Sabah	Vacant land	70.286	30 years expiring 2042	N/A	2,268	29.11.2013
PT Tasnida Agro Lestari	Kabaputen Bario Kuala, South Kalimantan Province	Cultivated with oil palm	8,157.960	35 years expiring 2048	N/A	23,566	23.07.2013
INDUSTRIAL LAND/BUILDING							
Yapidmas Plantation Sdn Bhd/ Sri Kehuma Sdn Bhd	Mile 76, Telupid, Sabah	Palm oil mill including office, labourers' quarters with built-up area of 29,500 sq.m	22.850	99 years expiring 2081	15 years	7,167	29.11.2013
Tanah Emas Construction Sdn Bhd	Mile 12, Seguntor, Sandakan, Sabah	Vacant land	9.364	99 years expiring 2078	N/A	1,146	19.09.2001

LIST OF PROPERTIES (CONT'D)

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Net Book Value As At 30 June 2014 RM'000	Date of revaluation/ acquisition
INDUSTRIAL LAND/BUILDING (CONT'D)							
Sri Kehuma Sdn Bhd	Mile 79, Telupid, District of Labuk/ Sugut, Sabah	Sawmill including office, labourers' quarter with built-up area of 17,522 sq.m.	19.344	99 years expiring 2080	22 years	856	29.11.2013
COMMERCIAL & RESIDENTIAL LAND/BUILDING							
Yapidmas Plantation Sdn Bhd	Mile 2.5, Jalan Utara, Sandakan, Sabah	Vacant land	0.130	999 years expiring 2882	N/A	173	20.08.1999
Golden Land Berhad	A-09-3A, A-09-05 & A-09-06, Empire Subang, Jln SS16/1, Subang Jaya, Dearah Petaling, Selangor	Office	4,003 sq.ft.	Freehold	5 years	1,889	01.10.2009
	TL077541916, Mile 3 1/2, Jalan Utara, Sandakan, Sabah	Industrial land	2.427	60 years expiring 2041	N/A	3,802	29.08.2008
Sparkle Selections Sdn Bhd	Lot 1727 & 1728, Seberang Perai Selatan Mukim 12, Penang	Vacant land	8.306 ha	Freehold	N/A	7,801	18.02.2008
Spectrum 88 Sdn Bhd	Commercial Lot A & Lot B held under master titles HS(D)204087 PT7714 and HS(D)204091 PT7718	Commerical land	1.453 ha	Freehold	N/A	11,062	10.12.2008

ANALYSIS OF SHAREHOLDINGS
AS AT 21 OCTOBER 2014

Authorised share capital	:	RM500,000,000
Issued and fully paid shares	:	RM222,912,569
Class of shares	:	Ordinary shares of RM1.00 each
Voting rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	% of Total Shareholders	No. of Shareholdings	% of Shareholdings
1 to 99	183	3.79	8,459	0.00
100 to 1,000	1,387	28.70	1,263,866	0.58
1,001 to 10,000	2,496	51.64	10,897,853	5.04
10,001 to 100,000	666	13.78	20,831,408	9.63
100,001 to 10,814,557*	97	2.01	87,018,772	40.23
10,814,558 and above**	4	0.08	96,270,811	44.51
Total	4,833	100.00	216,291,169	100.00

Notes:
* *Less than 5% of issued holdings*
** *-5% and above of issued holdings*

LIST OF THIRTY LARGEST SHAREHOLDERS

	Name	No. of Shares Held	%
1.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Agromate Holdings Sdn Bhd	48,589,100	22.46
2.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Phing Cern	18,236,700	8.43
3.	Rockwills Trustee Berhad, Yap Phing Cern	15,329,691	7.09
4.	Yap Phing Cern	14,115,320	6.53
5.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Yap Phing Cern	10,000,000	4.62
6.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Kiew	6,250,000	2.89
7.	Agromate Holdings Sdn Bhd	5,871,600	2.71
8.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kok Pin @ Kok Khong	4,456,700	2.06
9.	Syarikat Kuari Sinaran Cemerlang Sendirian Berhad	4,335,800	2.00
10.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Ho Peng	3,982,300	1.84

LIST OF THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name	No. of Shares Held	%
11.	RHB Nominees (Asing) Sdn Bhd Exempt An (BP) for RHB OSK Securities Hong Kong Limited A/C Clients	3,152,900	1.46
12.	Sri Mosta Sdn Bhd	3,040,900	1.41
13.	Noble Fairview Sdn Bhd	2,999,400	1.39
14.	Michael Law Kiung Nguong	2,512,800	1.16
15.	Goh Poh Teen	2,500,000	1.16
16.	Fokas Sehati Sdn Bhd	2,463,800	1.14
17.	Kumpulan Wang Simpanan Guru-Guru	2,051,900	0.95
18.	Lee Foot Yin	2,003,038	0.93
19.	Wawasan Elemen Sdn Bhd	1,999,600	0.92
20.	Kumpulan Wang Simpanan Guru-Guru	1,900,000	0.88
21.	Kumpulan Wang Simpanan Guru-Guru	1,900,000	0.88
22.	Lau Kueng Suong	1,896,200	0.88
23.	Amsec Nominees (Asing) Sdn Bhd DBS Vickers Secs (S) Pte Ltd for Tan Swee Tin	1,440,000	0.67
24.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Kim Tee @ Tee Ching Tee	1,184,300	0.55
25.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chia Hong @ Gan Chia Hong	1,047,900	0.48
26.	Sri Mosta Sdn Bhd	954,172	0.44
27.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Credit Suisse	764,600	0.35
28.	Tang Liong Choy	733,000	0.34
29.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited	724,400	0.33
30.	Yapp Yen Seam	604,300	0.28

Note:

(1) The percentages of the Thirty Largest Shareholders is calculated on the total issued and paid-up capital of the Company excluding a total of 6,621,400 GLBHD shares bought back by the Company and retained as treasury shares.

SUBSTANTIAL SHAREHOLDERS

	No. of Shares Held			
Name	**Direct Interest**	**%**	**Deemed Interest**	**%**
Agromate Holdings Sdn Bhd	54,460,700	25.18	-	-
Yap Phing Cern*	57,681,711	26.67	3,995,072	1.85
Oh Kim Sun**	-	-	54,460,700	25.18
Total	112,142,411	51.85	58,455,772	27.03

Notes:

* *Deemed interested by virtue of his shareholdings in Sri Mosta Sdn Bhd (3,995,072 shares).*

** *Deemed interested by virtue of his shareholdings in Agromate Holdings Sdn Bhd (through Ideal Force Sdn Bhd) pursuant to Section 6A of the Companies Act, 1965.*

DIRECTORS' INTERESTS

	No. of Shares Held			
Name	**Direct Interest**	**%**	**Deemed Interest**	**%**
Yap Phing Cern*	57,681,711	26.67	3,995,072	1.85
Yap Fei Chien	322,000	0.15	-	-
Beh Sui Loon	-	-	-	-
Oh Kim Sun**	-	-	54,460,700	25.18
Chan Gak Keong	-	-	-	-

Notes:

* *Deemed interested by virtue of his shareholdings in Sri Mosta Sdn Bhd (3,995,072 shares).*

** *Deemed interested by virtue of his shareholdings in Agromate Holdings Sdn Bhd (through Ideal Force Sdn Bhd) pursuant to Section 6A of the Companies Act, 1965.*

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the Company will be held at Sepilok Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah, on Friday, 28 November 2014 at 8.30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To lay before the Company the Audited Financial Statements of the Company for the year ended 30 June 2014 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note B)*

2. To declare a final single tier dividend of RM0.01 per share for the year ended 30 June 2014. *(Ordinary Resolution 1)*

3. To approve the payment of Directors' Fees for the year ended 30 June 2014. *(Ordinary Resolution 2)*

4. To re-elect the following Director who retires in accordance with Article 124 of the Company's Articles of Association:-

   i) Yap Fei Chien *(Ordinary Resolution 3)*

5. To re-elect the following Director who retires in accordance with Article 127 of the Company's Articles of Association:-

   i) Chan Gak Keong *(Ordinary Resolution 4)*

6. To appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 5)*

AS SPECIAL BUSINESS

To consider and if thought fit to pass the following Ordinary Resolutions:

ORDINARY RESOLUTIONS

7. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting ("AGM") of the Company unless revoked or varied by the Company at a general meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed 10 percent of the issued and paid-up share capital of the Company for the time being, subject always to the approval of the relevant regulatory bodies being obtained for such allotments and issues." *(Ordinary Resolution 6)*

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

8. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject to the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements"), approval be and is hereby given to the Company and its subsidiaries ("GLBHD Group") to continue to enter into all arrangement and/or transactions involving the interests of the Directors, major shareholders or persons connected with Directors and/or major shareholders of GLBHD Group ("Related Parties") as disclosed in Section 2.3 of the circular to the shareholders dated 5 November 2014 provided that such arrangements and/or transactions are:-

i) recurrent transactions of a revenue or trading nature;

ii) necessary for the day to day operations;

iii) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and

iv) are not to the detriment of the minority shareholders

(hereinafter known as "Proposed Shareholders' Mandate")

AND THAT such approval shall continue to be in force until:-

i) the conclusion of the next AGM of the Company (being the 20th AGM of the Company), at which time the said authority will lapse, unless by a resolution passed at a general meeting whereby the authority of Proposed Shareholders' Mandate is renewed;

ii) the expiration of the period within which the next AGM of the Company (being the 20th AGM of the Company) is required to be held pursuant to the Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

iii) revoked or varied by resolution passed by the shareholders in a general meeting

whichever is earlier;

AND THAT the aggregate value of the transactions of Proposed Shareholders' Mandate conducted during a financial year will be disclosed in accordance with the Listing Requirements in the annual report for the said financial year and the disclosure will include amongst others, the following information:-

i) the types of recurrent related party transactions ("RRPT"); and

ii) the names of the Related Parties who have interests in each type of the RRPT entered into and their relationship with GLBHD Group;

AND THAT the Directors of the Company and/or any one (1) of them be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate." *(Ordinary Resolution 7)*

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

9. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR PROPOSED SHARE BUY-BACK AUTHORITY

"THAT, subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be and is hereby given to the Company to purchase and/or hold up to 10 percent of the issued and paid-up share capital of GLBHD ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("Bursa Securities") upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company;

AND THAT the amount of funds to be allocated for the buy-back of the Company's own shares shall not exceed the retained profits (if any) and share premium accounts of the Company and upon completion of the buy-back by the Company of its own shares, the Directors of the Company are authorised to deal with the ordinary shares of RM1.00 each in GLBHD ("GLBHD Shares") so purchased in any of the following manners:-

i) cancel the GLBHD Shares so purchased; or
ii) retain the GLBHD Shares so purchased as treasury shares which may be distributed as dividend to shareholders or resold on the market of Bursa Securities or subsequently cancelled; or
iii) retain part of the GLBHD Shares so purchased as treasury shares and cancel the remainder; and/or
iv) deal with the GLBHD Shares in any other manner as may be allowed or prescribed by the Companies Act, 1965, Companies Regulations, 1966 and Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and other requirements issued by the relevant authorities.

Based on GLBHD's latest audited financial statements for the financial year ended 30 June 2014, the accumulated losses and share premium accounts (at Company level) were RM31,532,232 and RM17,949,950 respectively.

AND THAT such authority shall commence immediately upon passing this resolution until the conclusion of the next AGM of GLBHD at which time the authority shall lapse unless by ordinary resolution passed at that meeting the authority is renewed either unconditionally or subject to conditions, the expiration of the period within which the next AGM is required by law to be held or unless earlier revoked or varied by ordinary resolution of the shareholders in a general meeting, whichever occurs first;

AND FURTHER THAT the Directors of GLBHD be and are hereby authorised with full powers to assent to any modifications and/or amendments as may be required by any relevant authorities as they may deem fit and to enter into all such transactions, arrangements or agreements as may be necessary or expedient in order to give full effect to the Proposed Share Buy-Back." *(Ordinary Resolution 8)*

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

10. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF BOOK CLOSURE

NOTICE IS ALSO HEREBY GIVEN that the final single tier dividend of RM0.01 per share will be payable on 19 December 2014 to depositors whose names appear in the Record of Depositors at the close of business on 5 December 2014 if approved by the members at the Twentieth Annual General Meeting.

A depositor shall qualify for the entitlement only in respect of:-

(a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 5 December 2014 in respect of ordinary transfers; and

(b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of the Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

VOO YIN LING (MAICSA 7016194)
CHIN WOON SIAN @ LOUIS CHIN (MIA 16041)
Company Secretaries

Date : 5 November 2014
Sabah

NOTES:-

A) APPOINTMENT OF PROXY

1. A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. There shall be no restriction as to the qualification of the proxy. A proxy may but need not be a member of the Company and need not be any of the persons prescribed by Section 149(1)(b) of the Companies Act, 1965. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member may appoint up to two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.
3. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at A-09-03, Empire Tower, Empire Subang, Jalan SS 16/1, 47500 Subang Jaya, Selangor Darul Ehsan, at least forty-eight (48) hours before the appointed time for holding the Meeting or any adjournment thereof.
5. Where the Proxy Form is executed by a corporation, it must be under its Seal or under the hand of an officer or attorney duly authorised.
6. The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 24 November 2014.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

B) AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of shareholders is not required pursuant to the provision of Section 169(1) of the Companies Act, 1965. Hence, this Agenda is not put forward for voting by shareholders of the Company.

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. ORDINARY RESOLUTION AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

The Ordinary Resolution No. 6, is to seek a renewal of the general mandate to give the Directors of the Company the authority to issue shares up to an amount not exceeding in total 10 percent of the issued shares capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares. This authority will expire at the next Annual General Meeting ("AGM") of the Company.

The renewal of the general mandate is to provide flexibility to the Company for any possible fund raising exercises including but not limited to issuance of new shares for funding investment project(s), working capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the 19th AGM held on 6 December 2013 and which will lapse at the conclusion of the 20th AGM.

2. ORDINARY RESOLUTION PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Ordinary Resolution No. 7, if passed, will allow the GLBHD Group to enter into RRPT provided that such transactions are in the ordinary course of business and undertaken at arm's length, on normal commercial terms of GLBHD Group which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

The Proposed Shareholders' Mandate would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential RRPT arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to GLBHD Group.

Further information on the Proposed Shareholders' Mandate is set out in the circular to shareholders of the Company which is despatched together with the Annual Report of the Company for the financial year ended 30 June 2014.

3. ORDINARY RESOLUTION PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR PROPOSED SHARE BUY-BACK AUTHORITY

The Ordinary Resolution No. 8, if passed, will renew the mandate for the Company to buy back its own shares. The mandate shall continue to be in force until the date of the next AGM of the Company unless earlier revoked or varied by ordinary resolution of the Company in a general meeting and is subject to annual renewal. Further information on this resolution is set out in the Circular to Shareholders dated 5 November 2014, which is sent out together with the Company's Annual Report 2014.

STATEMENT ACCOMPANYING NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

1. NAME OF DIRECTORS STANDING FOR RE-ELECTION

i) Yap Fei Chien
ii) Chan Gak Keong

2. PLACE, DATE AND TIME OF THE TWENTIETH ANNUAL GENERAL MEETING

The place, date and time of the Twentieth Annual General Meeting are as follows:-

Date	Time	Place
28 November 2014	8.30 am	Sepilok Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah, Malaysia

3. ATTENDANCE OF BOARD OF DIRECTORS' MEETINGS

The number of Board of Directors' Meetings held during the Directors' tenure in office in the financial year ended 30 June 2014 and the number of meetings attended by each Director are as follows:

Directors	Number of Board meetings held during Director's tenure in office	Number of meetings attended by Directors
Yap Phing Cern	5	5
Yap Fei Chien	5	4
Wong Chee Kiong *(Resigned on 17 October 2014)*	5	5
Beh Sui Loon	5	5
Oh Kim Sun	5	4
Chan Gak Keong *(Appointed on 1 October 2014)*	0	0

4. Further details of Directors who are standing for re-election, the family relationship with any director and/or substantial shareholder of the Company are set out in pages 9 to 11 and their shareholdings information are listed in pages 131 to 133 of this Annual Report.

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GOLDEN LAND BERHAD
Incorporated In Malaysia (298367-A)

No. of ordinary shares held	CDS Account No.

PROXY FORM

(Before completing the form please refer to the notes below)

I/We ....
(full name as per NRIC/Certificate of Incorporation in capital letters)

NRIC No./Co. No. .... of ....
(full address)

being a member/members of Golden Land Berhad hereby appoint ....

.... NRIC No. ....
(name of proxy as per NRIC, in capital letters)

or failing him/her ....NRIC No. ....
(name of proxy as per NRIC, in capital letters)

or failing him/her * the Chairman of the Meeting as my/our proxy to vote on my/our behalf at the Twentieth Annual General Meeting of the Company to be held at Sepilok Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah on Friday, 28 November 2014 at 8.30 a.m. and at any adjournment thereof.

My/our proxy is to vote as indicated below:-

NO.	RESOLUTIONS		FOR	AGAINST
1.	To declare a final single tier dividend of RM0.01 per share for the year ended 30 June 2014.	Ordinary Resolution 1		
2.	To approve the Payment of Directors' Fees for the year ended 30 June 2014.	Ordinary Resolution 2		
3.	To re-elect Director – Yap Fei Chien, who retires pursuant to Article 124 of the Company's Articles of Association.	Ordinary Resolution 3		
4.	To re-elect Director – Chan Gak Keong, who retires pursuant to Article 127 of the Company's Articles of Association	Ordinary Resolution 4		
5.	To re-appoint Messrs Ernst & Young as Auditors.	Ordinary Resolution 5		
6.	Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.	Ordinary Resolution 6		
7.	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 7		
8.	To approve the Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back Authority.	Ordinary Resolution 8		

(Please indicate with an "X" in the space provided how you wish your vote to be cast on the resolutions specified above. If you do not do so your proxy will vote or abstain from voting at his/her discretion).

Signed this .... day of .... 2014.

....
Signature/Seal of Shareholder

Notes:-

1. *A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. There shall be no restriction as to the qualification of the proxy. A proxy may but need not be a member of the Company and need not be any of the persons prescribed by Section 149(1)(b) of the Companies Act, 1965. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.*
2. *A member may appoint up to two (2) proxies. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy.*
3. *Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at A-09-03, Empire Tower, Empire Subang, Jalan SS16/1, 47500 Subang Jaya, Selangor Darul Ehsan, at least forty-eight (48) hours before the appointed time for holding the Meeting or any adjournment thereof.*
5. *Where the Proxy Form is executed by a corporation, it must be under its Seal or under the hand of an officer or attorney duly authorised.*
6. *The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 24 November 2014.*

Fold this flap for sealing

Affix postage stamp

Company Secretary

GOLDEN LAND BERHAD
Incorporated In Malaysia (298367-A)

A-09-03 Empire Tower,
Empire Subang, Jalan SS16/1,
47500 Subang Jaya,
Selangor Darul Ehsan.

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GOLDEN LAND BERHAD
Incorporated in Malaysia (298367-A)

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