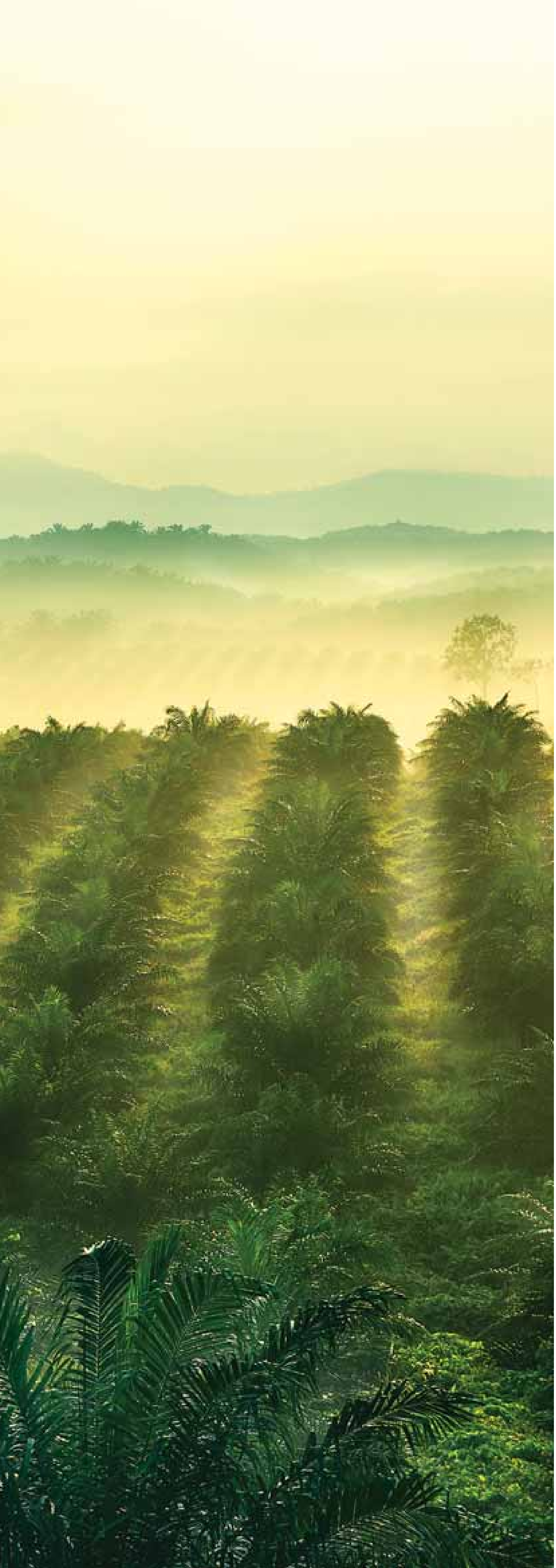
GOLDEN LAND BERHAD
Incorporated In Malaysia (298367-A)

ANNUAL REPORT 2016

Exploring Diverse Opportunities



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CORPORATE STRUCTURE & PRINCIPAL ACTIVITIES 2016

GOLDEN LAND BERHAD
Incorporated In Malaysia (298367-A)

- **100%** Ladang Tunas Hijau Sdn Bhd - Dormant
- **100%** Sparkle Selections Sdn Bhd - Property Holding
- **100%** Spectrum 88 Sdn Bhd - Property Holding
- **100%** Tanah Emas Construction Sdn Bhd - Provision of General Contract and Civil Works
  - **100%** Tanah Emas Properties Sdn Bhd - Property Development
- **100%** Putatan Emas Sdn Bhd - Property Development
- **100%** Mid Town Property Management Sdn Bhd - Dormant
- **100%** GL Green Resources Sdn Bhd - Cultivation of Oil Palm
- **100%** Mirabumi Sdn Bhd - Investment Holding
  - **60%** Winapermai Sdn Bhd - Property Development and Construction

- **100%** Gainfield International Limited - Investment Holding
  - **100%** NWP (Cambodia) Pte Ltd - Dormant (In Liquidation)
- **100%** Pacific Bloom Limited - Investment Holding
  - **100%** Perfect Element Plantation 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 Lestari - Cultivation of Oil Palm
- **100%** Absolute Synergy Limited - Investment Holding
- **68.75%** Parimo Agri Holding Pte Ltd - Investment Holding
  - **80%** PT Ampibabo Agro Lestari - Cultivation of Oil Palm
- **68.75%** Parigi Plantation Holding Pte Ltd - Investment holding
  - **80%** PT Agri Toribulu Asri - Cultivation of Oil Palm
- **50%** Sinermaju Sdn Bhd - Property Investment
- **49.98%** Tanah Emas Bio-Tech Sdn Bhd - Dormant (In the process of striking off)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Beh Sui Loon
- Independent Non-Executive Chairman
- Senior Independent Director

Yap Phing Cern
- Chief Executive Officer

Yap Fei Chien
- Executive Director

Oh Kim Sun
- Non-Independent Non-Executive Director

Tan Teck Kiong
- Independent Non-Executive Director

AUDIT COMMITTEE

Beh Sui Loon
- Chairman/Independent Non-Executive Director

Oh Kim Sun
- Non-Independent Non-Executive Director

Tan Teck Kiong
- Independent Non-Executive Director

NOMINATION COMMITTEE

Beh Sui Loon
- Chairman/Independent Non-Executive Director

Tan Teck Kiong
- Independent Non-Executive Director

REMUNERATION COMMITTEE

Tan Teck Kiong
- Chairman/Independent Non-Executive Director

Beh Sui Loon
- Independent Non-Executive Director

Yap Fei Chien
- Executive Director

SECRETARIES

Voo Yin Ling (MAICSA 7016194)
Chai Choong Wah (MIA 14847)

REGISTAR

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 : 089-27 1163
Fax : 089-27 4510

REGISTERED OFFICE

A-09-03, Empire Tower
Empire Subang
Jalan SS16/1
47500 Subang Jaya
Selangor
Tel: 03-5611 8844
Fax: 03-5611 8600
Email: mail@glbhd.com

AUDITORS

Ernst & Young
16th Floor, Wisma Khoo Siak Chew
Jalan Buli Sim Sim
90000 Sandakan, Sabah
Tel : 089-21 1455
Fax : 089-27 2002

PRINCIPAL BANKERS

AmBank (M) Berhad
Hong Leong Bank Berhad
RHB Bank Berhad
OCBC Bank (M) 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 ("GLBHD" 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 2016.

FINANCIAL PERFORMANCE

It is my pleasure to report that the Group registered RM69.02 million in profit after taxation for the financial year ended 30 June 2016, as compared to RM3.85 million in the previous financial year.

The increased in profit after taxation was chiefly due to an exceptional gain on disposal of four (4) wholly-owned subsidiaries and a parcel of oil palm plantation land owned by GLBHD ("Proposed Disposal").

DIVIDEND

The Company has always been committed to the payment of annual dividends as a means of rewarding shareholders. The quantum of the payment of dividends is determined by the availability of the funds, the amount of retained earnings, capital expenditure commitments and other investment planning requirements.

On 14 March 2016, the Proposed Disposal has been completed in accordance with the terms of the SPA and as mutually agreed between GLBHD and PUPB. Accordingly, YPSB, SKSB, LKSB and TEOPP ceased to be subsidiaries of GLBHD.

Following the completion of the Proposed Disposal, the Board has proceeded with the Proposed Distribution of RM0.88 for every GLBHD Share.

A special single tier dividend of RM0.13 per share amounting to RM28,114,991 was paid on 12 April 2016.

In accordance, the Capital Repayment has been completed, with 0.75 per share amounting to RM162,194,377 paid on 12 July 2016 via eCash payment and cheque to the entitled shareholders of GLBHD.

CORPORATE DEVELOPMENT

On 28 April 2016, Pacific Bloom Limited ("PBL"), a wholly owned subsidiary of Golden Land Berhad ("GLBHD") has entered into two (2) Conditional Sale and Purchase Agreements ("the CSPA") for the proposed acquisition of the two (2) companies as follows:-

(i) 475 fully paid-up shares of a total Rp125,000,000 representing 95% of fully paid up shares in PT Citra Enggang Nusalaras ("PT CITRA"); and

(ii) 475 fully paid-up shares of Rp125,000,000 representing 95% of fully paid up shares in PT Cipta Enggang Nusalaras ("PT CIPTA").

PT CITRA is a limited liability company established under Indonesian laws with an authorized share capital of Rp500,000,000 divided into 2,000 shares of Rp250,000 each of which 500 shares in a total amount of Rp125,000,000 have been issued at par and fully paid. PT CITRA is the holder of a Location Permit ("Izin Lokasi") dated 29 February 2016, issued by the Regent of Murung Raya for an area of 15,453 hectares located at Laung Tuhup, Tanah Siang and Barito Tuhup Raya Districts, Murung Raya Regency, Kalimantan Tengah Province, Indonesia.

The current shareholders of PT CITRA are Mr Ikhsanudin, and Mr Firman Wijaya, the private person, citizens of the Republic of Indonesia.

PT CIPTA is a limited liability company established under Indonesian laws with an authorized share capital of Rp500,000,000 divided into 2,000 shares of Rp250,000 each, of which 500 shares in a total amount of Rp125,000,000 have been issued at par and fully paid. PT CIPTA is the holder of a Location Permit ("Izin Lokasi") dated 29 February 2016, issued by the Regent of Murung Raya for an area of 11,423 hectares located at Laung Tuhup and Barito Tuhup Raya Districts, Murung Raya Regency, Kalimantan Tengah Province, Indonesia.

The current shareholders of PT CIPTA are Mr Ikhsanudin and Mr Firdaus, the private person, citizens of the Republic of Indonesia.

Both land banks are situated adjacent to each other. As of now, GLB intends to reserve the landbank for future oil palm cultivation.

PROSPECTS

The financial year 2017 is anticipated to be another challenging year for the Group, seeing that we are now rebooting our business via green-field projects in Indonesia and have yet to regain desired optimum operation. In addition, commodity markets will remain volatile in the near term due to effects of continuous volatility in financial world and crude oil prices.

With an eye for diversification of income, the Group's main focus now is to develop its existing land banks to unlock greater value. The Management believes that the property segment is key to this, delivering market acceptance based on niche products, good location and affordable pricing.

The Group has to-date planted 2,727 Ha and 50 Ha in Indonesia and Malaysia respectively. We are set to continue expanding our oil palm planting area at Kalimantan Timur and Selatan, Indonesia with the aim of achieving over 10,000 planted Ha within the next three (3) years.

APPRECIATION

On behalf of the Board of Directors, I would like to accord my gratitude to the Groups Management and all other employees whose passion, concerted efforts and dedication have collectively contributed to the Group's performance. I wish to thank my distinguished colleagues in the Board for their invaluable support, insight and counsel throughout the financial year. Also, I thank our Shareholders, Customers, Business Associates, Statutory Authorities and Bankers for their solid backing which has always been a driving force behind our success.

BEH SUI LOON
Chairman
6 October 2016

CHIEF EXECUTIVE OFFICER'S REVIEW OF OPERATION

FY2016 was a year of challenges. Crude palm oil ("CPO") prices remained low, averaging only RM2,099 per tonne throughout the financial year.

FY2016 was a year of challenges. Crude palm oil ("CPO") prices remained low, averaging only RM2,099 per tonne throughout the financial year, which translated into a drop of 3.7% compared to an average of RM2,180 per tonne the year before. Meanwhile, the average price of Palm Kernel ("PK") saw an increase of 3.9% to RM1,535 per tonne against RM1,478 per tonne in FY2015.

On 14 March 2016, the Proposed Disposal was completed in accordance with the terms of the SPA as mutually agreed between GLBHD and PUPB. In accordance, YPSB, SKSB, LKSB and TEOPP have ceased to be subsidiaries of GLBHD.

The following is the reasoning behind the Proposed Disposal:

a) **Unlocking Investment**
The Proposed Disposal presents an opportunity for GLBHD Group to unlock and realise the value of its investments in Sabah plantations.

b) **Accelerate Planting Programme in Indonesia Plantation Land**
The Proposed Disposal will free up cash flow and provide GLBHD Group with additional financial muscle to accelerate plantation activities in Indonesia, primarily the Kalimantan region.

c) **Growing the Property Development Business**
The Proposed Disposal will also allow GLBHD seed funding to grow its property development business in Sabah and Peninsular Malaysia. The property development business will be the key contributor of its financial performance pending the maturity of the Indonesia Plantation Land.

The **Midtown** *Signature Office* boasts a total Gross Development Value of RM52 million, comprising forty (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. A total of eighteen (18) units of 3-storey shop offices were sold. As at 30 June 2016, this project has generated the cumulative total revenue of approximately RM20 million.

HUMAN RESOURCES

Our people are our greatest and most important asset. We place great value on workforce diversity, togetherness and an ethical code of conduct, all while striving to nurture a corporate environment that is safe, healthy and conducive to continuous personal growth of employees.

The Group continues its focus on investing in human capital, by emphasizing on development for our people so as to empower a productive workforce – both through formal and on-the-job training. Through this, employees are able to effectively carry out their responsibilities and contribute towards the company's business objectives, while ensuring an adequate talent pool to fulfil current needs and succession plans.

REVIEW OF CORPORATE SOCIAL RESPONSIBILITY ("CSR")

In all we do, we aspire to achieve a balanced integration of ethical, social, environmental and economic considerations that translates into sustainable long-term value for our stakeholders. Sustainability can be truly realised only when the diverse interests of stakeholders are brought together into harmonious unison that result in mutually-beneficial outcomes.

Bearing in mind that our business activities are closely associated with natural resources, we recognise the importance of practising responsible stewardship of the environment. Thus, we strive to adhere to the principles of sustainable development for the benefit of present and future generations.

As for estates belonging to our Group, we have widely incorporated into daily operations practices and general agriculture practices ("GAPs") aimed at contributing positively towards a greener, cleaner environment.

FUTURE PROSPECTS

The near term outlook of the oil palm price is volatile and continues to come under pressure from various market factors – prospects of higher palm oil production in Malaysia and Indonesia as well as other oil seeds, drop in demand from China due to the country releasing its own rapeseed from state reserves, as well as continued uncertainties in the world economic outlook. Additional factors such as the fluctuating price of crude oil and risk of impending US monetary tightening programme play a part in affecting crude palm oil price. The *El Nino* phenomenon in 2015/2016 which resulted in extreme climates had adversely affect production of fresh fruit bunches. For 2017, weather experts are now forecasting the additional onset of the *La Niña* 'wet' weather phenomenon. While a strong *La Niña* can be a boon for palm oil yield, it may result in flooding which can potentially impact operations, again leading to tighter supply of palm oil products.

However, buoyed by numerous issues such as the gradual recovery of the world economy, increasing world population, rising demand from China and India, the bio-diesel mandate initiated by Indonesia and Malaysia, as well as the constraint in arable land supplies, the long term outlook for the palm oil industry is promising.

The Group is confident that future prospects for the palm oil industry remain promising as palm oil continues to be the most consumed and healthier vegetable oil.

To date, the Group possesses a total Location Permit ("Izin Lokasi") of approximately 73,205 Ha, of which a total land bank of 8,158 Ha are under Hak Guna Usaha ("HGU") Status. The Group is in the midst of applying HGU status for the balance of the arable land, with estimations that the total arable area is approximately 36,397 Ha in Indonesia and 338 Ha in Malaysia.

As at 30 June 2016, the Group has planted 2,727 Ha and 50 Ha with oil palm trees in Indonesia and Malaysia respectively. The Group continues to expand its oil palm planting area in Indonesia with a target of achieving more than 10,000 Ha within the next 3 years.

Besides this, the Board will focus on developing existing land banks for the property development segment in Sabah and Penisular Malaysia. This comes in view that the property development business will be a primary contributor of the Group's financial performance pending the maturity of the Indonesia Plantation Land, and that all of the existing lands are free from encumbrance. Thus, the Group expects to launch a new industrial property project in Year 2017 which will be followed by affordable home projects in the subsequent year. With an estimated collective GDV of RM500 million for all these projects, the management is confident that these Projects will contribute positively to the Group's future performance.

The Group will continuously explore every opportunity to replenish the existing landbanks to boost performance and diversification opportunities in the coming years.

APPRECIATION

On behalf of the Board of Directors, I would like to thank the management team and all employees for their continuous commitment and invaluable contribution to the Group, all of which have been pivotal in the Group's achievements. We are also blessed to have a very engaging Board, whose members are generous with their insights and sound advice that have greatly benefited the Group as a whole. I am confident that with a talented team in place coupled by strong governance, unwavering passion and total commitment, the Group will continue to deliver excellence and pursue new breakthroughs in building sustainable value for all stakeholders.

Last but not least, I would like to thank all our shareholders, customers, contractors, business partners and all our other stakeholders as they remain steadfast as the driving force behind the Group's achievements.

YAP PHING CERN
Chief Executive Officer
6 October 2016

CORPORATE SOCIAL RESPONSIBILITY

What is good for the world and good for business are more closely connected than ever before, our Group CARES for people, community and environment."

Golden Land Berhad ("GLB") has always gone the extra mile to ensure that good environmental practices are upheld, so as to maintain a positive balance between the economic developments, the social developments and the environment. The statements set out our approach, objectives, and progress on each of the four core pillars of our Corporate Social Responsibility ("CSR") strategies namely Governance and Ethics, Our People, Community and the Environment.

A. Governance & Ethics

A commitment to ethical conduct and to the governance structures that ensure we walk the talk, provides the foundation for us to earn our stakeholders' trust. Strong governance and ethical conduct are essential to the success of our business, helping us to build a sustainable, resilient business and gain the trust of our customers, employees and stakeholders. Governance and ethics are routinely identified as areas of great focus, both to our internal business success and our external stakeholders.

We intend to sharpen our focus on these governance and ethics concerns as part of a larger effort to review our current CSR approach and develop a comprehensive long-term vision. In this aspect, we prepare to enhance our forthrightness and accountability. This will include assessing our current CSR structure and identifying ways to better integrate processes and communication channels within our corporate governance structure.

Governance and Sustainability Management (Risk Management)

The Board of Directors, acting directly and through its committees, is responsible for overseeing our robust risk management processes. Working groups across the business report directly to the Audit Committee, which oversees financial and risk management policies. GLB's practices and programs are designed to help manage business risks and to align risk taking appropriately with our efforts to increase shareholder value. Our strong incident management and business continuity programs allow us to respond quickly to disruptions or threats and minimize impact to our employees, community and business.

Ethical Conduct

We believe that long-term, trusting business relationships are built on honesty, acting ethically and with integrity. Our Code of Business Conduct ("COBC") provides employees with a clear understanding and expectation of the high ethical standards we pride ourselves on, while our accompanying training is tailored to higher-risk functions and roles. Our COBC and ethics training is designed to educate our employees about unlawful or unethical conduct that may be wrongly used to secure direct business or preferential treatment. We have zero tolerance for corrupt and untruthful behavior among our employees.

Our Plans

We will continue to monitor the CSR issues of greatest priority to our business and earn the trust of our stakeholders through ongoing dialogue and engagement. We will review our governance policies and practices and provide our employees with the tools they need to make ethical decisions.

B. Our People

At the core of our success is our people, and they are our focus. We want to attract and keep the best talent pools and develop the best leaders today for tomorrow—leaders who have impact and are building the most incredible teams. Indeed, every contribution by our employees is held dear to our hearts. We always see to it that our people are aware that they are part of our big family. We truly value and CARE for them and expect to form a long term relationship with each and every one of them.

Families live in a home, not a house. Over the years, the Group has never failed to look into the needs and wants of its employees. Anything that leads to a conducive working environment is carefully looked into and subsequently executed. All necessary amenities are provided so that the employees are able to enjoy a decent, happy and comfortable working place.

Talent: The Right People, at the Right Time

Our business strategy is clear. We are now transforming the work experience, investing in our employees to be at their best, and enabling them to innovate.

Keeping and developing our people is fundamental to our Company. We are equipped with diverse talented people who choose to build their careers with us. In fact, majority of our employees are at the prime, where their wisdom, experience and energy combined with their strong will have driven them to deliver the best results for the Group. Right now, we focus on developing tomorrow's leaders. We don't just train. We nurture people's skills, positive mental attitude and invest in their leadership potential. Internal and external training programs are constantly carried out to help employees improve themselves.

Inclusion, Diversity, and Collaboration

To achieve our business goals and accelerate our transformation through our people, we need innovative strategies to fuel a highly diverse, inclusive, and collaborative culture. We focus on teamwork spirit. This need offers a growing opportunity to GLB, as both customers and investors are focused on increasing the number of women and minorities in all leadership roles, including the composition of our Board of Directors.

To start, we have redefined how we talk about diversity, inclusion, and collaboration; look at key challenges and opportunities; communicate what's at stake; and come together to create strategies to drive exponential value for GLB, our customers, and our communities. We have expanded our view of diversity, creating a broader, deeper understanding of the power of diverse perspectives from across different cultures, abilities, genders, generations, ethnicities, orientations, and points of view.

CORPORATE SOCIAL RESPONSIBILITY (CONT'D)

A Safe and Healthy Workplace

We offer a number of medical and wellness resources. All to keep our people healthy, safe, and productive.

The Group takes into consideration the health and safety of its employees. As such, a great deal of effort is put into securing the workplace, so that it is hazard-free. There will never be circumstances whereby health and safety issues are compromised, be it during work process or any activities held. More so, relevant health and safety programs will be implemented in order to meet the ultimate objective of achieving "Zero Accident" at the workplace.

Some safety measures that have been exercised for some time now include supplying employees with safety equipment and straightforward working procedures. On top of that, employees are given regular training and briefing with regards to health and safety matters.

Our Plans

To create the most innovative experience for employees, we asked our people what matters most, and ask for their feedback. However, all of these changes are crucial, so we are working on all of them right away, rather than prioritizing just a few. The key is that we are keeping our eyes set squarely on creating the best employee experience.

At the center of it all is our people. Our success depends on them—their engagement, their talent, their innovation, and their desire to continue to learn and grow.

We can attract and keep the best people by making their experience with us the best it can be. We are going to give them a safe and healthy environment, where they can be their authentic selves, where they can get training and improve themselves, and where they will be rewarded for hard work.

C. Our Community

We use our expertise, technology, and resources to empower holistic problem solvers to speed the pace of social change. We work with others—governments, local institution and educational and healthcare institutions—to build thriving communities, improve people's lives.

Worldwide are struggling to find skilled workers. According to a 2015 Manpower survey of hiring managers in 41 countries, 34 percent of employers cite "lack of technical competencies" as the reason they have difficulty filling jobs. Yet millions of people are un-employed or under-employed, unable to participate in the economy downturn because they lack the skills that employers demand.

We focus on:

- Education: To provide basic education and training to local people. We will use technology and resources to improve access to education.
- Economic Empowerment: Promoting skills development, job creation, entrepreneurship, and financial inclusion in underserved communities even at remote area.
- Healthcare: To improve access to healthcare in remote regions such as build a small hospital or clinic, enable health professionals to share expertise, can help improve access to quality healthcare for people who need it most.
- Critical Human Needs and Disaster Response: Help to improve access to food, clean water, and shelter and supporting communities affected by disasters.

Charity Contributions

The Group keenly believes in giving back to the community and investing in the next generation. Hence, it is never hesitant when it comes to supporting charitable causes. Throughout the financial year, the Group has made several donations to schools and charitable associations for the betterment of living and education standards of those in need.

Our Plan

We will continue to support in education, economic empowerment, and healthcare especially to Indonesia local communities with our employees playing a key role. We remain committed to reaching out to the underprivileged and making a positive impact in the community. Apart from money donations, moving forward, we also contributed in-kind to the local communities such as provide employment opportunities, build the healthcare centre and school.

D. Our Environmental

Corporate social responsibility considerations form an integral part in our business operations and embracing green environment. Some of the measures undertaken with regards to preserving the environment include enforcing necessary precautions at all developments and workplaces, in order to aim towards minimizing our business impact to the environment.

This is a commitment that the Group takes upon its shoulders strongly, as it strives to achieve corporate sustainability. The Group's objective has always, and will always be to manage its plantation and processing plants in a socially and environmentally responsible manner. Some of the commendable efforts include:-

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

Our Plan

We intend to continue to emphasize our commitment to ethical sourcing practices, and in accordance with General Agriculture Practices ("GAPs"), enhancing the environmental sustainability of our operations.

PROFILE OF THE BOARD OF DIRECTORS

BEH SUI LOON

Independent Non-Executive Chairman
Senior Independent Director

Mr Beh Sui Loon (Malaysian, age 53). He 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 twenty (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 one hundred (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 or offences.

He has attended all the seven (7) Board of Directors' meetings held during the financial year ended 30 June 2016 during his tenure of office.

YAP PHING CERN

Chief Executive Officer

Mr Yap Phing Cern (Malaysian, age 53) 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 ten (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 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 130, 131 and 132 of this Annual Report. Within the last ten (10) years, he has no convictions or offences.

He has attended six (6) out of the seven (7) Board of Directors' meetings held during the financial year ended 30 June 2016 during his tenure of office.

YAP FEI CHIEN

Executive Director

Ms Yap Fei Chien (Malaysian, age 46) 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 she currently oversees the Group's Human Resources and Administration function.

She is 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 130, 131 and 132 of this Annual Report. Within the last ten (10) years, she has no convictions or offences.

She has attended six (6) out of the seven (7) Board of Directors' meetings held during the financial year ended 30 June 2016 during her tenure of office.

OH KIM SUN

Non-Independent Non-Executive Director

Mr Oh Kim Sun (Malaysian, age 68). He 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 thirty-five (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, Nikko Electronics Berhad ("in liquidation") and N2N Connect 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 130 of this Annual Report. Within the last ten (10) years, he has no convictions or offences.

He has attended five (5) out of the seven (7) Board of Directors' meetings held during the financial year ended 30 June 2016 during his tenure of office.

TAN TECK KIONG

Independent Non-Executive Director

Mr Tan Teck Kiong (Malaysian, age 58) joined the Board of GLBHD on 13 October 2016. He also serves GLBHD as the Chairman of the Remuneration Committee and a member of the Audit and Nomination Committee.

Mr Tan holds a B. A. Accounting Degree from the University of Kent, Canterbury, United Kingdom and Degree in Law from the Polytechnic of Central London. He is a Barrister-at-law (Lincoln's Inn) and was called to Malaysian Bar in October, 1983.

He has over thirty (30) years of experience in providing legal services. He began his career in 1983 with Messrs Abdul Aziz, Ong & Co. as a Legal Assistant and subsequently held positions as the Senior Litigation Lawyer at Messrs Kadir, Andri & Partners, Litigation Partner at Messrs Tunku Mukhrizah & Partners and thereafter joined Messrs Heiley Hassan, Tan & Partners as a partner until current date.

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

He did not attend any Board of Directors' meeting held during the year ended 30 June 2016 as he was appointed on 13 October 2016.

PROFILE OF THE KEY SENIOR MANAGEMENT

YAP PHING CERN

Chief Executive Officer

Please refer to the Profile of the Board of Directors.

YAP FEI CHIEN

Executive Director

Please refer to the Profile of the Board of Directors.

YAP HENG LEE

General Manager of Group's Indonesia Operation (Kalimantan & Sulawesi)

Mr Yap Heng Lee (Malaysian, age 48) was appointed as the General Manager of GLBHD's Indonesia Operation on 1 September 2016.

He was with Genting Plantation Group for the past twenty-eight (28) years and was based in Indonesia since 1 March 2012 before joining GLBHD. He has vast experience in the plantation sector as he has started his career as Quality Control Grader and gradually made his way to become the Vice President of Genting Plantation in 2015.

In 2009, he obtained an Executive Diploma in Agriculture and Entrepreneurship from Open University Malaysia.

He was posted for a special project assignment to perform a feasibility study on a new land and also due diligence in Cambodia and Indonesia in 2011. He is currently overseeing GLBHD's Indonesia oil palm operation in the East and South Kalimantan, and Sulawesi.

NG HENG PHAI

Head of Property Division

Mr Ng Heng Phai (Malaysian, age 58), joined GLBHD on 1 June 2016 as the Head of Property Division.

Mr Ng holds a Bachelor degree in Business Administration & Economics from Simon Fraser University, British Columbia, Canada and has been involved in the property industry since graduating in 1981.

Mr Ng was with the Mah Sing Group for the last twenty (20) years and his last posting was as the Director of Business Development and Research where he evaluated and proposed feasibility studies on potential land purchases as part of the company's land banking exercises. Before his promotion to his last position in Mah Sing, he has been involved in Mah Sing's projects since joining in 1995 and has held various Senior positions within the Group including as the Chief Operating Officer for Mah Sing Properties, setting up the Procurement and Research department and spearheading the Marketing and Sales Department.

He has also been involved in more than thirty (30) projects of different development mix throughout the country in his various capacities in other public listed company namely Sunway City Berhad and Lion Group, and other private companies. He has more than thirty-four (34) years of experience in the property industry. He has been exposed to both high end niche products and township developments with good working market knowledge of the residential, commercial and industrial sectors.

CHAI CHOONG WAH

Chief Financial Officer

Mr Chai Choong Wah (Malaysian, age 44). He joined GLBHD on 3 May 2016 as Financial Controller. He was then redesignated as Chief Financial Officer on 6 October 2016. He graduated in 1996 with a professional degree in ACCA from Tunku Abdul Rahman College, Malaysia. He started his auditing career in Deloitte Kassim Chan for four (4) years before registered into MIA member as Chartered Accountant.

Mr Chai has also more than seventeen (17) years commercial experiences, practicing in various fields of accounting, budgeting, taxation, treasury management, financial management, corporate finance, operation management and M&A due diligences. He has held various positions in Malaysia public listed companies as accountant, group accountant, management accountant, personal assistant to Deputy Managing Director and Financial Controller, namely poultry and agriculture industry in Leong Hup Holding Bhd; automobile manufacturing, sales, spare parts and services (3S) in Tan Chong Motor Holding Bhd and Industrial Service Division at Wah Seong Corporation Bhd.

Currently, he oversees GLBHD group accounting and finance function and is also acts as joint secretary of GLBHD.

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") 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 to ensure the Group is in the forefront of good governance and aims to be recognised as an exemplary organisation.

The Board is pleased to disclose the following statement on the Group's application of the Principles and Recommendations of the Malaysian Code on Corporate Governance 2012 ("Code") throughout the financial year ended 30 June 2016. The Board approved this Statement on 6 October 2016 and believes that it has in all material aspects complied with the Principles and Recommendations outlined in the Code.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

CLEAR FUNCTIONS OF THE BOARD AND MANAGEMENT

The Board has overall responsibility in the stewardship of the Group's direction and its performance inclusive of corporate governance, strategic planning and maintaining effective control over financial and operational matters. The Board is also primarily responsible for determining the Company's strategic objective and policies and to monitor the progress toward achieving the objectives and policies.

To ensure the effectiveness in discharging its duties and responsibilities, the Board has also delegated certain responsibilities to the Management and Committees appointed by the Board. The delegation of authority includes responsibility for developing business plans, budgets and company strategies, identifying and managing operational risks and formulating strategies for managing these risks and managing the Company's financial and operational mechanisms.

In this regard the Board is guided by a Board Charter which outlines the roles and responsibilities of Directors and other functions as recommended by the Code. The Board also delegates the authority and responsibility for managing the day-to-day business activities of the Group to the Chief Executive Officer ("CEO") who is responsible for overseeing the business development, implementation of the corporate strategies and business plans, policies and controls.

The roles and responsibilities for the Group's Non-Executive Chairman and the CEO have been defined in the Board Charter to ensure there is balance of power and authority.

CLEAR 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.

Having recognised the importance of an effective and dynamic Board, the Board has established and adopted a Board Charter to ensure that all Board members are aware of the Board's fiduciary and leadership functions. The main duties and responsibilities of the Board set out in the Board Charter, amongst others, include:

- 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

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

FORMALISED ETHICAL STANDARDS THROUGH CODE OF CONDUCT

Code of Conduct

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 formalised through the Company's Code of Conduct.

The Board acknowledges and recognises the importance of establishing a sound corporate culture which stimulates ethical conducts that pervades throughout the Group. To facilitate the observation and application of the desired culture, the Board had formalised a Code of Conduct in August 2013. The Board will review its Code of Conduct where necessary to meet the needs of the Group and to address the changing conditions of its business environment.

The summary of the Code of Conduct for Directors is available at the Company's website.

WHISTLEBLOWING POLICY

The Group is committed to achieve and maintain high standard of integrity, accountability and ethical behavior in conducting its businesses and operations. In order to achieve the standard, the Group encourages all its employees and stakeholders to disclose any improper conduct in accordance with the procedures as provided under the Whistleblowing Policy and provide protection to employees and stakeholders who report such allegations.

The Whistleblowing Policy provides employees of the Group with an accessible avenue to report the suspected fraud, corruption, dishonest practices or other similar matters. The Company views retaliation or reprisal against the whistleblower seriously. The Company provides assurance to the whistleblower that they would be protected from retaliation or reprisal from their reporting superior, manager or departmental head. The Company assures that no disciplinary action can be taken against the whistleblower on condition that the information provided is accurate, factual and there is no element of malicious intent.

All complaints reported to the Company are treated as confidential. Information will only be closed on need-to-know basis and with the written permission from the Audit Committee Chairman. The identity and particulars of the reporting individual shall also be kept private and confidential unless it is required by law, court or authority.

Reporting may be made via post or e-mail to the Chairman of the Audit Committee, Human Resource Manager and the Company Secretary as detail below:-

Golden Land Berhad
A-09-03, Empire Tower,
Empire Subang, Jalan SS16/1,
47500 Subang Jaya,
Selangor Darul Ehsan.
Email: auditchairman@glbhd.com, hr@glbhd.com, cosec@glbhd.com

In 2016, there were no complaints received.

The summary of the Whistleblowing Policy is available at the Company's website.

PROMOTE SUSTAINABILITY OF BUSINESS

The Company is committed to operate its business in accordance with environmental, social and governance ("ESG") responsibilities. These include working within the law and local community 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.

The summary of the Strategies to Promote Sustainability is available at the Company's website.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

ACCESS TO INFORMATION AND ADVICE

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 Secretaries. The Secretaries advise 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 Secretaries also advise 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.

QUALIFIED AND COMPETENT COMPANY SECRETARIES

The Company Secretaries of the Group are qualified to act as company secretaries under Section 139A of the Companies Act 1965. One of them is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), whilst the other is a member of the Malaysian Institute of Accountants ("MIA"). The Company Secretaries provide support to the Board in fulfilling is fiduciary duties and leadership role in shaping the corporate governance of the Group. In this respect, they play an advisory role to the Board, particularly with regard to the Company's constitution, Board policies and procedures, and its compliance with regulatory requirements, codes, guidance and legislations.

The Company Secretaries ensure that deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate actions. The Board is updated by the Company Secretaries on the follow-up of its discussion and recommendations by Management. The Company Secretaries constantly keep abreast with the relevant regulatory changes and developments in corporate governance through attendance at conferences and training programmes, including continuous professional development programme as required by the MAICSA for practicing Company Secretaries.

The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions.

BOARD CHARTER

The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as Directors of the Group. 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 conduct 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 is 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.

The summary of the Board Charter is available at the Company's website.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

SUPPLY OF INFORMATION

The Board of Directors review a quarterly Board report prior to the Board meeting. This enables the Directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting. The Board report includes, among others, the following details:

- Quarterly financial results
- Annual audited financial statements
- Operational report
- Corporate plans, major issues and opportunities for the Group
- Changes to management and control structure of the Group
- Policies and procedures
- Reports to Shareholders and public announcement

STRENGTHEN COMPOSITION

NOMINATION COMMITTEE

The Nomination Committee comprises of two (2) Independent Non-Executive Directors, which are:

- Beh Sui Loon (Chairman)
- Tan Teck Kiong

The Committee is chaired by a Senior Independent Director ("SID"). In determining the Director to be appointed as SID of Golden Land Berhad, the Committee took into consideration several factors, including the fact that he was one of the longest serving Independent Directors on the Board and that he possesses strong leadership qualities to lead the Independent Directors of the Group.

Regarding nomination, selection, and assessment of Directors, the specific responsibilities of the committee include, among others:

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 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

During the financial year, the Committee met once.

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS

a. Determination of selection criteria for recruitment of Directors

Board appointments are effected through the 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 Committee will consider the required mix of skills, experience and diversity, including gender.

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

a. Determination of selection criteria for recruitment of Directors (cont'd)

The process for the appointment of new director is summarized as below:

Step 1	Candidate identified It can be identified on the recommendation of the existing Directors, Senior Management staff, shareholders or third party referrals.
Step 2	Assessment and evaluation to be conducted by the NC The assessment should be conducted based on the following criteria:- (i) Integrity and Judgment (ii) Knowledge (iii) Diversity (iv) Commitment (v) Independent Judgment (vi) Performance and Contribution (vii) Experience and Accomplishments (viii) Board interaction (ix) Any other criteria deemed fit For an independent director position, additional assessment on independence would need to be carried out. The NC would also need to consider the size and composition of the Board to be in compliance with Listing Requirements and MCCG 2012 and to facilitate the making of informed and critical decisions.
Step 3	Recommendation to be made by NC to the Board
Step 4	Discussion and decision to be made by the Board on the proposed new appointment
Step 5	If the proposed appointment is approved: Invitation or offer to be made to the proposed/potential candidate to join the Board. If the proposed appointment is rejected: The whole process to be recommenced.

In its effort to promote boardroom diversity, the Board adopted the following policy:-

The Company is committed to actively managing diversity as a means of enhancing the Company's performance by recognizing and utilizing the contribution of diverse skills and talent from its directors.

Diversity involves recognizing and valuing the unique contribution people can make because of their individual background and different skills, experiences and perspectives. Diversity may result from a range of factors including age, gender, ethnicity, cultural background or other personal factors. The Company values the differences between its people and the contribution these differences make to the Company.

To achieve diversity, the Board delegated to the Nomination Committee ("NC") to ensure that the Board has a sufficient size with the appropriate balance of skills and experience to meet the Group's present and future needs. The NC also responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions. The NC should consider the benefits of diversity in order to maintain an optimum mix of skills, knowledge and experience of the Board members when identifying and recommending potential candidates for Board memberships.

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

a. Determination of selection criteria for recruitment of Directors (cont'd)

In connection with its efforts to create and maintain a diverse Board, the NC will:-

i.	Assess the appropriate mix of diversity (including gender, ethnicity and age), skills, experience and expertise required on the Board and address gaps if any
ii.	Adhere to the recruitment protocol that seeks to include diverse candidates in any director search
iii.	Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board
iv.	Periodically review and report to the Board on requirements in relation to diversity of the Board, if any
v.	Engage professional consultants to assist in the hiring process by presenting diverse candidates to the Company for consideration

The Board, through NC will monitor the scope and applicability of this policy from time to time.

During the financial year, there was no new Director being appointed to the Board. Todate, the Board has one (1) female director.

b. Annual assessment and its criteria in respect of the Board and Board Committees, Directors and Board Committee members

The Board, through its delegation to the 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 2016. Assessments were undertaken in respect of the year ended 30 June 2016 and have been concluded and properly recorded. The effectiveness of the Board is assessed mainly in the areas of participation and role in the Board's committee, contribution and number of meeting attended. The Committee has also reviewed the required mix of skills and competencies of the Directors during the year.

The 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.

c. Review of Directors proposed for re-election / re-appointment

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 (1/3) 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 (3) years. Based on the schedule of retirement by rotation, the Committee is responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment.

This recommendation is based on formal reviews of the performance of the Directors, taking into account their assessment results, contribution to the Board through their skills, experience, strengths and qualities and ability to act in the best interests of the Company in decision-making.

On 28 September 2015, the Board approved the recommendation of the Committee that the Directors who were due to retire by rotation and re-appointment at the Twenty-First AGM, Mr Oh Kim Sun and Mr Chan Gak Keong be eligible to stand for re-election and re-appointment respectively. During the Twenty-First AGM held on 18 November 2015, both the Directors above have been successfully re-elected and re-appointed.

STRENGTHEN COMPOSITION (CONT'D)

DEVELOP, MAINTAIN AND REVIEW CRITERIA FOR RECRUITMENT AND ANNUAL ASSESSMENT OF DIRECTORS (CONT'D)

d. 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 (1/3) 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 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.

e. Boardroom diversity

The Board recognises the value of appointing individual Directors who bring a variety of diverse opinions, perspectives, skills, experiences, backgrounds and orientations to its discussions and its decision-making processes. All appointments to the Board will be made on merit while taking into account suitability for the role, board balance and composition, the required mix of skills, background and experience (including consideration of diversity).

Other relevant matters will also be taken into account, such as independence and the ability to fulfill required time commitments in the case of Non-Executive Directors. The Board recognises the challenges in achieving the right balance of diversity on the Board. This will be done over time, taking into account the present size of the Board, the valuable knowledge and experience of the present Board members and the evolving challenges to the Company over time.

The Board is committed to diversity and endorses equal employment opportunity policy that goes beyond gender in terms of promoting diversity in the business. The Board has not set specific gender diversity targets at this time. Presently, the current Board composition comprises of four (4) male Directors and one (1) female Director. The Board is satisfied with the current diversity and is of the view that the current composition continues to have a strong, committed and dynamic board with the right mix of skills and balance to contribute to the achievement of the Company's goals.

FORMAL REMUNERATION POLICY AND PROCEDURE

Remuneration Committee

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

- Tan Teck Kiong (Chairman)
- Beh Sui Loon
- Yap Fei Chien

During the financial year, the committee met once.

Remuneration Structure

The remuneration package comprises fixed and variable components, ensuring an appropriate and balanced remuneration package that links shareholders' interest with Directors:-

STRENGTHEN COMPOSITION (CONT'D)

FORMAL REMUNERATION POLICY AND PROCEDURE (CONT'D)

i. Fixed Components

Director's Fee

Determine on the basis of the responsibilities shouldered by the director, and the job nature of the position, including complexity, past experience and other market conditions.

ii. Variable Components

Bonus

Bonus is awarded on a discretionary basis to motivate and reward high performance director. Its exact amount is decided by reference to the Company's performance as well as the individual performance of the Director involved.

Long-term incentive scheme

Long-term incentives which may include share options serves as a long-term incentive to motivate, recognize, reward and retain high performance director.

Other Benefits for Executive Directors

Fringe Benefits

Medical insurance, personal accident insurance, business travel insurance, dental cover, professional subscription and personal telecommunication facilities.

iii. Non-Executive Directors

Non-Executive Directors receive a fixed Director's fee and their remuneration are reviewed annually, the remuneration packages of companies which are comparable to the Company will be used as reference.

The Company endeavours to obtain up-to-date information of the prevailing pay pattern and situations in the market. The Company may engage employment agencies or research organizations to obtain the latest remuneration packages offered in the market as reference. The remuneration packages of companies which are comparable to the Company will be used as a benchmark to ensure that the remuneration packages offered to Directors remain appropriate and competitive.

The Company should conduct a review of the remuneration annually. Using the benchmarking information prepared by management, the Remuneration Committee can then consider and make informed decisions or make recommendations to the Board on the remuneration packages of individual Directors.

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 annually the appropriate level of remuneration for the Directors with the aim to attract, retain, and motivate individual of the highest quality.

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 Committee has in place a remuneration policy 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 and other emoluments, bonus and benefits-in-kind.

STRENGTHEN COMPOSITION (CONT'D)

FORMAL REMUNERATION POLICY AND PROCEDURE (CONT'D)

iii. Non-Executive Directors (cont'd)

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 entitled to fees, 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 88 and 89.

REINFORCE INDEPENDENCE

ANNUAL ASSESSMENT OF 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 director in Paragraph 1.01 of the Listing Requirements.

The Board is satisfied that the Independent Directors are independent as they fulfilled the required criteria stipulated in the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Listing Requirements").

TENURE OF INDEPENDENT DIRECTOR

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.

Currently, none of the Independent Directors have served the Board for a period of more than nine (9) years.

SHAREHOLDERS' APPROVAL FOR RE-APPOINTMENT AS INDEPENDENT NON-EXECUTIVE DIRECTOR AFTER A TENURE OF NINE YEARS

Currently, none of the Independent Director has served the Board for a period of more than nine (9) years. Hence, no shareholders' approval will be sought for this purpose at the forthcoming Twenty-Second AGM.

SEPARATION OF POSITION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

The role of the Chairman and the 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 the entire Group.

REINFORCE INDEPENDENCE (CONT'D)

COMPOSITION OF THE BOARD

The Board is chaired by an Independent Director, comprises five (5) Directors of whom two (2) are Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Executive Directors.

The Company fulfills the prescribed requirement of having at least one-third (1/3) of the Board Members as Independent Non-Executive Directors as stated in Paragraph 15.02 of the Listing Requirements.

Mr Chan Gak Keong and Mr Victor Peh Suan Ean resigned as Independent Non-Executive Directors on 29 September 2016 and 14 October 2016 respectively, and Mr Tan Teck Kiong was appointed as Independent Non-Executive Director on 13 October 2016.

FOSTER COMMITMENT

TIME COMMITMENT

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 2016, the Board conducted seven (7) 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 stated in the profile of the Board of Directors on pages 10 to 11.

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.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Group.

PROTOCOLS FOR THE APPOINTMENTS OF DIRECTORS

The Directors of the Group do not hold more than five (5) directorships in public companies as prescribed by the Listing Requirements. All Board members shall notify the Chairman of the Board or 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.

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 Tan Teck Kiong as he was appointed on 13 October 2016.

During the financial year 2016, all Directors have attended training and seminar programmes which are relevant and useful to enable the Board of Directors to effectively discharge their duties. These training programmes, seminars, and forums are as follows:

FOSTER COMMITMENT (CONT'D)

TRAINING (CONT'D)

Director	Mode of Training	Title of Training	Duration of Training
Beh Sui Loon	Talk	Creating A Better World: The Role of Corporate ASEAN in driving the Sustainable Development Goals	Half Day
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Yap Phing Cern	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Yap Fei Chien	Talk	Certified International Human Resource Manager (CIHRM) Seminar	3 days
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day
Oh Kim Sun	Talk	Khazanah Megatrends Forum 2015 – Harnessing Creative Disruption	2 days
	Talk	Ethics Red Flags for Board of Directors	1 day
	Talk	JP Morgan: Mid-Year Outlook Luncheon	1 day
	Briefing	Malaysian Code on Corporate Governance: Update and Upcoming Changes	1 day

The Board of Directors will continue to devote sufficient time in continuous training to enhance their knowledge and skills as well as to enable them to actively participate in Board deliberations. The Board also kept informed of the requirements and updates issued by Bursa Securities and other regulatory authorities.

UPHOLD INTEGRITY IN FINANCIAL REPORTING

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

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 Audit Committee, all of whom are financially literate, reviewed the Company's financial statements, prior to recommending them for approval by the Board and issuance to stakeholders. The Board of Directors with the assistance of the Audit Committee takes reasonable steps to ensure that the financial statements of the Group are prepared in accordance to the accounting standards approved by the Malaysian Accounting Standard Board and comply with the provisions of the Companies Act, 1965.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 26 of this Annual Report.

The Audited Financial Statements for the financial year 2016 is set out on pages 35 to 146 of this Annual Report.

ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL 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 Audit Committee carried out annual assessment of the competency and independence of the external auditors. In its assessment, the Audit Committee consider several factors, which included the caliber, reputation and resources of the firm, staff experience and professionalism, audit scope, communication and independence. The Company has in place 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. Having assessed their performance, the Audit Committee will recommend their re-appointment to the Board, upon which the shareholder's approval will be sought at the Annual General Meeting.

The external auditors therefore declare their independence annually to the Audit Committee as specified by the By-Laws issued by the Malaysian Institute of Accountants. The external auditors have provided the declaration in their annual audit plan presented to the Audit Committee of the Group.

RECOGNISE AND MANAGE RISKS

SOUND RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL

The Board takes cognizance of its responsibility for identifying, evaluating and managing significant risks within the business environment in which the Group operates. The Board is aware of its responsibility for ensuring the effectiveness and adequacy of the internal control system to address strategic, financial, operational, knowledge and compliance risks within the ambit of applicable laws, regulations, directives, standard operating procedures and guidelines.

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The Audit Committee has been entrusted by the Board to ensure effectiveness of the Group's internal control systems. The activities of the outsourced internal auditors are reported regularly to the Audit Committee which provides the Board with the required assurance in relation to the adequacy and integrity of the Group's system of internal controls.

Recognising that the internal control systems must continuously improve to meet the challenging business environment, the Board will continue to take appropriate action plans to strengthen the Group's internal control system.

INTERNAL AUDIT FUNCTION

The Group has established transparent and appropriate relationships with the outsourced Internal Auditor. The function of internal auditor is described in the Statement of Risk Management and Internal Control.

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

CORPORATE DISCLOSURE POLICY

The Group is committed to provide accurate, timely, consistent and fair disclosure of corporate information to enable informed and orderly market decisions as well as compliance with the Listing Requirements and Corporate Governance Guide issued by Bursa Malaysia Securities Berhad. 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. The Corporate Disclosure Policy which set out the policies and procedures for all level of employees, including the CEO. The policy also serves as a guide to enhance awareness among employee of corporate disclosure requirements. Clear roles and responsibilities of Directors, management and employees are provided together with levels of authority, to be accorded to 'designated person(s)', spokespersons and committees in the handling and disclosure of material information. Persons responsible for preparing the disclosure will conduct due diligence and proper verification, as well as coordinate the efficient disclosure of material information to the investing public.

The policy also covers confidentiality to ensure that confidential information is handled properly by Directors, employees and relevant parties to avoid leakage and improper use of such information. The Board of Directors is mindful that information which is expected to be material must be announced immediately.

LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION

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.

To promote wider dissemination of corporate and financial information that is made public, a dedicated Investors Relations section is included in the Company's website consisting of various materials including Code of Conduct, Board Charter, Annual Reports, quarterly announcements of the financial results of the Group, announcements and other disclosures made pursuant to the disclosure requirements of the Listing Requirements.

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

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

ENCOURAGE SHAREHOLDERS PARTICIPATION AT GENERAL MEETINGS

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 Company will convene its Twenty-Second AGM on 22 November 2016 during which shareholders will have the opportunity to direct their questions to the Board. The Board encourages other channels of communication with 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.
Email	: auditchairman@glbhd.com
Fax	: 03-5611 8600
Website	: Contact Us" at www.glbhd.com

POLL VOTING

As required by the listing requirements, poll voting will be conducted for all resolutions set out in the Twenty-Second Notice of Annual General Meeting. Poll voting more accurately and fairly reflects shareholders' views by ensuring that every vote is recognised, in accordance with the principle of "one share one vote". The practice thus enforces greater shareholders rights, and allows shareholders who appoint the Chairman of the Meeting as their proxy to have their vote properly counted in the fulfillment of their voting rights.

EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENTS

The Board recognises the importance of shareholder communication as a key component to upholding the principles and best practices of corporate governance for the Group. The Company strives to maintain an open and transparent channel of communication with its stakeholders, institutional investors and the investing public at large with the objective of providing a clear and complete picture of the Group's performance and financial position as possible. The Company believes that a constructive and effective investor relationship is an essential factor in enhancing value for its shareholders. However, whilst the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

The Company views that timely dissemination of information is important, therefore such communication is done through various disclosure and announcements to Bursa Malaysia Securities Berhad, the Annual Report, and Circular to Shareholders. The financial results of the Company and the Group, other corporate announcements and press conference are accessible via the Bursa Malaysia Securities Berhad's website and the Company's website at www.glbhd.com. General corporate information and product information are also available at the Company's website.

The AGM serves as an ideal opportunity for dialogue and interaction with both institutional and individual shareholders, who are given the opportunity to enquire and seek clarification on the operations and financial performance of the Group.

Besides the above, the Board believes that the Company's website and Annual Report are a vital and convenient source of essential information for existing and potential investors and other stakeholders.

The above statement is made in accordance with a resolution of the Board of Directors dated 6 October 2016.

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 2016, 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 6 October 2016.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") is pleased to present our Group's Statement on Risk Management and Internal Control for the financial year ended 30 June 2016. This Statement is made in compliance with paragraph 15.26(b) of the Main Market Listing Requirements and is guided by the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" issued by Bursa Malaysia Securities Berhad.

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 eliminate the risks of failure to achieve business objectives. Therefore, the system provides reasonable, but not absolute assurance against the occurrence of any material misstatement, loss or fraud.

The Management is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions and for providing assurance to the Board through its Management Committee and Audit Committee that the processes have been carried out.

The Board is of the view that the system of risk management and internal control is in place for the year 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 POLICY

The Board recognises that its primary responsibility is to ensure the long term viability of the Group. One of our key tasks is to understand the principal risks of all aspects of the business that the Group is engaged in, as all significant business decisions require the incurrence of risks. Our Enterprise Risk Management ("ERM") policy, therefore, is to achieve a proper balance between risks incurred and potential returns to shareholders and stakeholders.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk management is firmly embedded in the Group's key processes through its Risk Management Framework, in line with Principle six (6) and Recommendation 6.1 of the Malaysian Code on Corporate Governance 2012. 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 applied through ongoing identification and evaluation of risk at business unit and departmental level. In addition, an annual group risk management profiling was carried out with its outcome presented to the Audit Committee who oversees the implementation of risk management of the Group.

The framework 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.

The key elements of the Group's risk management and internal control framework are:
(a) Risk governance;
(b) Risk appetite; and
(c) Risk management and internal control processes

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

Risk Governance

The Board, through Audit Committee, maintains an oversight responsibility for risks within the Group. The Audit Committee is supported by the Internal Audit Function as detailed below. The Audit Committee also discusses issues relating to risks and internal controls when highlighted by the external auditors in the course of their statutory audit of the financial statements of the Group. Appropriate action is taken by Management to implement decisions made by the Committee.

Under the purview of the Chief Executive Officer, the respective heads of department of the Group, i.e. risk owners are responsible for managing their respective operations, implementing their own control processes, identifying and managing their risks within the system of risk management and internal control.

Risk Appetite

The Group's risk appetite defines the amount and types of risks that the Group is able and willing to accept in pursuit of its business objectives. It also reflects the level of risk tolerances and limits set to govern, manage and control the Group's risk taking activities.

Risk Management and Internal Control Processes

The Group has established an on-going risk management process for identifying, evaluating and managing the significant risks faced by the Group in its achievement of objectives and strategies. The risk identified by the risk owners, with mitigation plans where applicable, are monitored using Risk Register and reported to the Executive Committee for deliberation.

The key risk management processes for the main risk areas of the Group are as follows:

Risk Areas	Risk Management Processes
Strategic Risk	• Review of economic conditions and implications to business operation. • Review changes of law and regulation and sovereign risk implications to the entire business operation.
Business/ Operational Risks	• Day-to-day management of operational risks through effective system of internal controls and monitoring measures. • Deploy good team of management, sustainable liquidity position and to ensure GAPs and SOP compliance are intact.
Financial Risks	• Check and review processes in documents submitted to Finance Department and financial reports. • Implementation of applicable financial reporting standard and keeping abreast with new changes to ensure compliance. • To ensure sustainability of the company liquidity position
Knowledge Risks	• Continuing training and development to enhance talent pool • To conduct market intelligent process to determine marketability of the products and embarking the business venture

The key internal control processes of the Group are as follows:

- 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;

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

Risk Management and Internal Control Processes (Cont'd)

The key internal control processes of the Group are as follows: (cont'd)

- 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;
- Executive Directors and Senior Management make regular visits to the estates to observe the state of affairs of the operations;
- 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 financial performance of the Company for every quarter is subject to review by the Audit Committee and the annual financial statements by both the Internal Auditors and External Auditors. The Audit Committee then reports and makes recommendation to the Board of Directors.
- Review of the Group's Summary of Authority Limits from time to time to reflect the authority and authorisation limit of the Board, Management Committee, Management and any other key officers.
- Review and enhancement of existing operational guidelines, policies and procedures to strengthen controls in place, to cope with the changing business environment and financial reporting standards.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm which reports directly to the Audit Committee. The Audit Committee has full and direct access to the Internal Auditors and receives reports on all internal audits performed. The Internal Auditors provides the Board through the Audit Committee with an independent opinion on the processes and system of internal controls of the Group.

The internal audit reviews covering the key activities of the Group were 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 periodically for attention and remedial action. Significant findings, recommendations for improvement and management responses were reported to the Audit Committee, with periodic follow-up on the implementation of action plans. The Management is responsible for ensuring that remedial actions were implemented accordingly.

The internal audit reviews carried out during the financial year ended 30 June 2016 did not reveal significant weaknesses that would require separate disclosure in this annual report.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

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 is in place for the financial year under review and up to the date of issuance of the financial statements, are adequate and effective to safeguard the shareholders' investments and the Group's assets.

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

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control as required by paragraph 15.23 of the Listing Requirement of Bursa Malaysia. Their review was performed in accordance with Recommended Practice Guide 5 (Revised): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

Based on the review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is inconsistent with their understanding of the process adopted in ensuring the adequacy and integrity of the Group's risk management and internal control system.

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

Status of utilisation of proceeds raised from the disposal is as follows:-

	Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Time for Utilisation	Note
1.	Proposed Distribution	190,330,000	28,115,707	Within 6 months	A special single tier dividend of 13.0 sen per ordinary share amounting to RM28,114,992 was paid on 12 April 2016
2.	Development of the plantation and property development business	190,000,000	54,928,484	Within 36 months	
3.	Working Capital	43,670,000	29,714,574	Within 12 months	
4.	Estimated Expenses	20,000,000	4,339,512	Within 6 months	
		444,000,000	117,098,227		

2. DEPOSITORY RECEIPT PROGRAMME

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

3. 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.

4. NON-AUDIT FEES

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

5. VARIATION IN RESULTS

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

6. PROFIT GUARANTEE

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

7. 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 2016 or entered into since the previous financial year.

AUDIT COMMITTEE'S REPORT

COMMITTEE MEMBER

The members of the 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
Oh Kim Sun	Non-Independent Non-Executive Director
Tan Teck Kiong	Independent Non-Executive Director

MEETING

The committee meets on quarterly basis with additional meetings held as and when necessary. The committee held five (5) meetings in 2016. The Company's Chief Financial Officer and Group Accountant was invited to the meetings, when required to facilitate direct communication as well as to provide clarification on accounts and specific issues.

Minutes of each meeting were recorded and tabled for confirmation at the next Audit Committee meeting and subsequently presented to the Board for notation. The Chairman also conveyed to the Board matters of significant concern as and when raised by the External Auditors or Internal Auditors.

Number of Meetings

The details of attendance of the committee members during the financial year are as follows:-

Members	Number of meetings held during members' tenure in office	Number of meetings attended by members
Beh Sui Loon	5	5
Oh Kim Sun	5	3
Chan Gak Keong *(Resigned on 29 September 2016)*	5	5

SUMMARY OF WORK

During the financial year, the activities undertaken by the Committee were as follows:

1. FINANCIAL REPORTING

- Reviewed and approved the quarterly financial statements for the fourth quarter of 2016 and the annual audited financial statements of 2016 at its meeting on 26 August 2016 and 6 October 2016 respectively. The quarterly financial statements for the first, second and third quarters of 2016, were reviewed at the meetings held on 17 November 2015, 25 February 2016 and 27 May 2016 respectively. The Committee's recommendations were presented for approval at the subsequent Board meeting.

  The Committee had reviewed the Group's compliance of the quarterly and year end financial statements with the Listing Requirements, Companies Act 1965 and applicable approved and new accounting standards issued by the Malaysian Accounting Standards Board and other relevant legal and regulatory requirements.

- The Committee had identified the significant financial reporting standards and other standards that may have had a significant impact on the GLB's financial statements for the financial year ended 30 June 2016.

- Reviewed the quarterly performance against the preceding correspondence quarter to date, preceding correspondence quarter and budget at each meeting.

- Reviewed and approved the Annual Report prior to presentation to the Board for approval and subsequent dispatch to the shareholders at the meeting held on 6 October 2016.

2. RELATED PARTY TRANSACTIONS

- Reviewed the related party transaction of the Company. Report any conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course that raises questions of management integrity to the Board.

3. EXTERNAL AUDIT

- In tandem with the recommendation introduced in the Code, the Committee has obtained a written assurance from Messrs Ernst & Young ("EY") as External Auditors on 27 May 2016 confirming their independence. The Committee agreed that the External Auditors are and 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.

- The Committee had undertaken an assessment on the suitability and independence of the External Auditors in accordance with the Policy and Procedures for the Assessment of External Auditors. The Committee has considered the firm capabilities, professional team assigned, proposed methodology, independence and audit fee.

- On 27 May 2016, the Committee reviewed the External Auditors' 2016 Audit Plan comprising their scope of work and proposed fees for the statutory audit, including review of the Statement of Internal Control and Risk Management.

- Reviewed together with the Audit Committee 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 at the meeting held on 25 August 2015.

- The Committee had one (1) private meeting with the External Auditors on 27 May 2016 without the presence of the CEO, Management and Internal Auditors.

SUMMARY OF WORK (CONT'D)

4. **INTERNAL AUDIT**

- The Internal Auditors conducted the audit activities in accordance with the approved internal audit plan approved by the Committee. The Committee had reviewed with the Internal Auditors the internal audit plan to ensure the adequacy of the scope and coverage of the work.

- The Internal Auditors presented the Audit Reports at the first, second and fourth quarter of the Audit Committee meetings during the year. A total of three (3) audit engagements were completed during financial year ended 30 June 2016. The Committee agreed with the internal audit findings and corrective actions on reported weaknesses recommended by the Internal Auditors.

- At the meeting on 25 February 2016, the Internal Auditors had presented to the Committee the proposed internal audit plan for the financial year 2016 and 2017. The identified scope of the review for the next two (2) years is to assist the Committee and Management in appraising the governance, risk management and internal control practices within the Company.

  At the same meeting, the Committee had approved the proposed internal audit plan, taking into consideration the adequacy of scope and coverage of the suitable areas.

5. **OTHERS**

- Reviewed the extend of the Group's compliance with the relevant provisions set out under the Code for the purpose of issuing the Statement on Corporate Governance and Statement on Risk Management and Internal Control pursuant to the Listing Requirements at the meeting held on 6 October 2016.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm which reports directly to the Committee. The Committee has full and direct access to the Internal Auditors and receives reports on all internal audits performed. The Internal Auditors provides the Board through the Committee with an independent opinion on the processes and system of internal controls of the Group.

The internal audit reviews covering the key activities of the Group were carried out based on the internal audit plan that was reviewed and approved by the Committee. Audit findings and recommendations are reported to the Committee periodically for attention and remedial action. Significant findings, recommendations for improvement and management responses were reported to the Committee, with periodic follow-up on the implementation of action plans. The Management is responsible for ensuring that remedial actions were implemented accordingly.

The scope of audit engagements were developed taking into consideration the Group's risk profile for the financial year 2016. The identified key audit areas were as follows:-

Details	Period Conducted
Human Resource and Administration	Q1
Payment Management for Operations in Indonesia	Q2
Corporate Governance Review	Q4

The Internal Auditors also participated to assist the Risk Management Coordinator in the review of the Group's Enterprise Risk Management framework and key risks during the First Quarter.

The total costs incurred for the outsourcing of the Internal Audit Function in respect of the financial year ended 30 June 2016 was approximately RM99,771.

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 2016.

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 venture 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 except for the completion of the disposal of the subsidiaries and a parcel of oil palm plantation as disclosed in Note 22(b) and 37 to the financial statements. Subsequent to the disposal of the oil palm plantation, the Company ceased its operation in cultivation of oil palm.

Results

	Group RM	Company RM
Profit from continuing operations	52,682,971	406,007,175
Profit from discontinued operations	16,333,623	2,355,454
Profit for the year	69,016,594	408,362,629
Profit attributable to:		
Owners of the Company	70,076,433	408,362,629
Non-controlling interests	(1,059,839)	-
	69,016,594	408,362,629

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 other than the effects arising from the disposal of the subsidiaries and a parcel of oil palm plantation as disclosed in Note 37 which has resulted in an increase in the Group's and the Company's profit net of tax by RM76,110,195 and RM405,415,389 respectively.

Dividend

The amount of dividend paid by the Company since 30 June 2015 was as follows:

	RM
In respect of the financial year ended 30 June 2016:	
Special tax exempt (single-tier) dividend of 13 sen per share, on 216,269,169 ordinary shares, declared on 28 March 2016 and paid on 12 April 2016	28,114,991

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	(Resigned on 29 September 2016)
Victor Peh Suan Ean	(Appointed on 29 September 2016)

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 38 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			
	1.7.2015	Acquired	Sold	30.6.2016
Name of director				
Yap Phing Cern				
Direct shareholding	57,681,711	-	-	57,681,711
Indirect shareholding+	3,995,072	-	-	3,995,072
Deemed interest*	604,300	-	-	604,300
Yap Fei Chien				
Direct shareholding	346,000	-	-	346,000
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

The directors, Yap Phing Cern and Oh Kim Sun, by virtue of their interests in shares of the Company are 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 RM1.55 per share. The total consideration paid for the repurchase including transaction costs was RM31,228. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 30 June 2016, the Company held as treasury shares a total of 6,653,400 of its 222,912,569 issued ordinary shares. Such treasury shares are held at a carrying amount of RM5,398,453 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.

Significant events

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

DIRECTORS' REPORT (CONT'D)

Signed on behalf of the Board in accordance with a resolution of the directors dated 6 October 2016.

Beh Sui Loon
Selangor, 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 42 to 145 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2016 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 46 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 6 October 2016.

Beh Sui Loon
Selangor, 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 42 to 146 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
Klang in the State of Selangor on 6 October 2016

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 2016 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 42 to 145.

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 2016 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.

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 46 on page 146 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	Chong Ket Vui, Dusun
AF: 0039	2944/01/17(J)
Chartered Accountants	Chartered Accountant

Sandakan, Malaysia
6 October 2016

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Continuing operations					
Revenue	5	8,881,220	12,966,872	1,177,900	12,652,825
Cost of sales	6	(5,907,858)	(8,195,906)	-	-
Gross profit		2,973,362	4,770,966	1,177,900	12,652,825
Other items of income					
Interest income	7	5,928,566	652,967	8,096,882	2,672,630
Other income	8	100,733,952	451,336	436,665,896	16,067,350
Other items of expense					
Marketing and distribution costs		(312,420)	-	-	-
Administrative expenses		(13,917,909)	(9,323,724)	(6,845,315)	(4,627,260)
Finance costs	9	(3,624,296)	(5,624,195)	(4,470,060)	(7,117,700)
Other expenses	10	(15,586,686)	(1,003,745)	(4,094,022)	(1,885,554)
Share of results of joint venture		1,083,560	45,662	-	-
Profit/(loss) before tax	11	77,278,129	(10,030,733)	430,531,281	17,762,291
Tax expense	14	(24,595,158)	(1,596,887)	(24,524,106)	(1,041,036)
Profit/(loss) from continuing operations, net of tax		52,682,971	(11,627,620)	406,007,175	16,721,255
Discontinued operations					
Profit from discontinued operations, net of tax	37	16,333,623	15,481,112	2,355,454	3,473,683
Profit net of tax		69,016,594	3,853,492	408,362,629	20,194,938
Other comprehensive income/(loss):					
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
- Actual employee benefit		(18,811)	-	-	-
- Foreign currency translation		6,402,506	4,347,706	-	-
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:					
- Revaluation of property, plant and equipment and biological assets	35	-	(81,128,954)	-	(7,245,068)
Other comprehensive income/(loss) for the year		6,383,695	(76,781,248)	-	(7,245,068)
Total comprehensive income/(loss) for the year		75,400,289	(72,927,756)	408,362,629	12,949,870

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Profit attributable to:					
Owners of the Company					
- from continuing operations		53,742,810	(11,620,827)	406,007,175	16,721,255
- from discontinued operations		16,333,623	15,481,112	2,355,454	3,473,683
		70,076,433	3,860,285	408,362,629	20,194,938
Non-controlling interests		(1,059,839)	(6,793)	-	-
		69,016,594	3,853,492	408,362,629	20,194,938
Total comprehensive income/(loss) attributable to:					
Owners of the Company					
- from continuing operations		60,112,130	(7,240,168)	406,007,175	16,721,255
- from discontinued operations		16,333,623	(65,647,842)	2,355,454	(3,771,385)
		76,445,753	(72,888,010)	408,362,629	12,949,870
Non-controlling interests		(1,045,464)	(39,746)	-	-
		75,400,289	(72,927,756)	408,362,629	12,949,870

	Note	Group	
		2016 RM	2015 RM
Earnings per share attributable to owners of the Company (sen per share):			
- Basic	15	32.40	1.78
- Diluted	15	32.40	1.78
Earnings/(loss) per share from continuing operations attributable to owners of the Company (sen per share):			
- Basic	15(a)	24.85	(5.37)
- Diluted	15(a)	24.85	(5.37)
Earnings per share from discontinued operations attributable to owners of the Company (sen per share):			
- Basic	15(b)	7.55	7.15
- Diluted	15(b)	7.55	7.15

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

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Assets					
Non-current assets					
Property, plant and equipment	17	22,618,120	20,729,858	3,221,669	3,259,055
Land use rights	18	30,282,505	28,651,133	677,856	468,719
Biological assets	19	17,509,114	16,862,127	-	-
Investment properties	20	25,979,188	25,979,188	-	-
Intangible assets	21	8,913,064	8,913,064	-	-
Investment in subsidiaries	22	-	-	36,371,599	36,371,599
Investment in an associate	23	1	1	1	1
Investment in joint venture	24	4,797,988	3,714,428	5,000,000	5,000,000
Other receivables	25	141,525,551	73,295,776	277,685,282	171,931,796
Other assets	26	1,149,499	1,284,637	-	-
Deferred tax assets	32	294,416	168,924	-	-
		253,069,446	179,599,136	322,956,407	217,031,170
Current assets					
Property development costs	27	19,654,432	21,357,699	-	-
Inventories	28	2,950,957	4,165,410	-	-
Trade and other receivables	25	81,378,849	6,055,876	74,497,846	5,679,662
Other assets	26	10,098,865	9,977,311	90,121	59,798
Tax recoverable		716,284	301,516	290,730	-
Cash and bank balances	29	274,574,789	36,943,862	267,108,510	31,431,670
		389,374,176	78,801,674	341,987,207	37,171,130
Assets of disposal group classified as held for sale	37	-	638,559,949	-	168,441,187
		389,374,176	717,361,623	341,987,207	205,612,317
Total assets		642,443,622	896,960,759	664,943,614	422,643,487

STATEMENTS OF FINANCIAL POSITION (CONT'D)
AS AT 30 JUNE 2016

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Equity and liabilities					
Current liabilities					
Tax payable		-	113,368	-	113,368
Loans and borrowings	30	559,936	85,625,952	86,445	71,857,063
Trade and other payables	31	27,214,542	14,431,489	19,881,183	38,324,975
		27,774,478	100,170,809	19,967,628	110,295,406
Liabilities of disposal group classified as held for sale	37	-	188,674,862	-	-
		27,774,478	288,845,671	19,967,628	110,295,406
Net current assets		361,599,698	428,515,952	322,019,579	95,316,911
Non-current liabilities					
Loans and borrowings	30	1,100,851	46,378,005	303,407	45,205,621
Deferred tax liabilities	32	63,689	73,235	43,115	7,227,440
Estimated liabilities for post-employment benefit	33	235,075	146,423	-	-
		1,399,615	46,597,663	346,522	52,433,061
Total liabilities		29,174,093	335,443,334	20,314,150	162,728,467
Net assets		613,269,529	561,517,425	644,629,464	259,915,020
Equity attributable to owners of the parent					
Share capital	34	222,912,569	222,912,569	222,912,569	222,912,569
Share premium	34	17,949,950	17,949,950	17,949,950	17,949,950
Treasury shares	34	(5,398,453)	(5,367,225)	(5,398,453)	(5,367,225)
Revaluation reserves	35	-	20,905	-	-
Reserve of disposal group classified as held for sale	37	-	251,059,991	-	37,513,965
Retained earnings/ (accumulated losses)		373,333,568	75,809,448	409,165,398	(13,094,239)
Foreign currency translation reserve	36	5,782,660	(602,912)	-	-
		614,580,294	561,782,726	644,629,464	259,915,020
Non-controlling interests		(1,310,765)	(265,301)	-	-
Total equity		613,269,529	561,517,425	644,629,464	259,915,020
Total equity and liabilities		642,443,622	896,960,759	664,943,614	422,643,487

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 2016

2016	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	Reserve attributable to disposal group classified as held for sale (Note 37) RM	Revaluation reserves (Note 35) RM	Distributable retained earnings RM	Non-controlling interests RM
			Attributable to owners of the Company	Non-distributable						Distributable	
Group											
Opening balance at 1 July 2015		561,517,425	561,782,726	222,912,569	17,949,950	(5,367,225)	(602,912)	251,059,991	20,905	75,809,448	(265,301)
Total comprehensive income											
Other comprehensive income											
Items that will be reclassified subsequently to profit or loss											
- Actual employee benefit		(18,811)	(16,252)	-	-	-	-	-	-	(16,252)	(2,559)
- Foreign currency translation		6,402,506	6,385,572	-	-	-	6,385,572	-	-	-	16,934
Profit net of tax		69,016,594	70,076,433	-	-	-	-	-	-	70,076,433	(1,059,839)
Total comprehensive income		75,400,289	76,445,753	-	-	-	6,385,572	-	-	70,060,181	(1,045,464)
Reversal of deferred tax	32	4,498,034	4,498,034	-	-	-	-	-	-	4,498,034	-
Realisation of revaluation reserves	35	-	-	-	-	-	-	(251,059,991)	(20,905)	251,080,896	-
Transactions with owners											
Purchase of treasury shares:											
- Consideration	34	(31,000)	(31,000)	-	-	(31,000)	-	-	-	-	-
- Transaction costs	34	(228)	(228)	-	-	(228)	-	-	-	-	-
- Dividend paid	16	(28,114,991)	(28,114,991)	-	-	-	-	-	-	(28,114,991)	-
Total transactions with owners		(28,146,219)	(28,146,219)	-	-	(31,228)	-	-	-	(28,114,991)	-
Closing balance at 30 June 2016		613,269,529	614,580,294	222,912,569	17,949,950	(5,398,453)	5,782,660	-	-	373,333,568	(1,310,765)

STATEMENTS OF CHANGES IN EQUITY (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

			Attributable to owners of the Company								
				Non-distributable							
	Note	Equity, total	Equity attributable to owners of the Company, total	Share capital (Note 34)	Share premium (Note 34)	Treasury shares (Note 34)	Foreign currency translation reserve (Note 36)	Reserve attributable to disposal group classified as held for sale (Note 37)	Revaluation reserves (Note 35)	Distributable retained earnings	Non-controlling interests
2015		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group											
Opening balance at 1 July 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
Total comprehensive income											
Other comprehensive income											
Item that will be reclassified subsequently to profit or loss											
- Foreign currency translation		4,347,706	4,380,659	-	-	-	4,380,659	-	-	-	(32,953)
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	(81,128,954)	(81,128,954)	-	-	-	-	-	(81,128,954)	-	-
Profit net of tax		3,853,492	3,860,285	-	-	-	-	-	-	3,860,285	(6,793)
Total comprehensive income		(72,927,756)	(72,888,010)	-	-	-	4,380,659	-	(81,128,954)	3,860,285	(39,746)
Realisation of revaluation reserves	35	-	-	-	-	-	-	-	(2,987,750)	2,987,750	-
Transactions with owners											
Purchase of treasury shares:											
- Consideration	34	(16,080)	(16,080)	-	-	(16,080)	-	-	-	-	-
- Transaction costs	34	(151)	(151)	-	-	(151)	-	-	-	-	-
- Dividend paid	16	(2,162,912)	(2,162,912)	-	-	-	-	-	-	(2,162,912)	-
Reserve attributable to disposal group classified as held for sale	37	-	-	-	-	-	-	251,059,991	(251,059,991)	-	-
Acquisition of non-controlling interests		(1,206,400)	-	-	-	-	-	-	-	-	(1,206,400)
Total transactions with owners		(3,385,543)	(2,179,143)	-	-	(16,231)	-	251,059,991	(251,059,991)	(2,162,912)	(1,206,400)
Closing balance at 30 June 2015		561,517,425	561,782,726	222,912,569	17,949,950	(5,367,225)	(602,912)	251,059,991	20,905	75,809,448	(265,301)

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 2016

2016	Note	Equity, total RM	Share capital (Note 34) RM	Share premium (Note 34) RM	Treasury shares (Note 34) RM	Reserve attributable to disposal group classified as held for sale (Note 37) RM	Revaluation reserves (Note 35) RM	Accumulated losses/ Distributable retained earning RM
			← Non-distributable				→	
Company								
Opening balance at 1 July 2015		259,915,020	222,912,569	17,949,950	(5,367,225)	37,513,965	-	(13,094,239)
Total comprehensive income								
Profit net of tax		408,362,629	-	-	-	-	-	408,362,629
Total comprehensive income		408,362,629	-	-	-	-	-	408,362,629
Reversal of deferred tax	32	4,498,034	-	-	-	-	-	4,498,034
Realisation of revaluation reserves	35	-	-	-	-	(37,513,965)	-	37,513,965
Transactions with owners								
Purchase of treasury shares:								
- Consideration	34	(31,000)	-	-	(31,000)	-	-	-
- Transaction costs	34	(228)	-	-	(228)	-	-	-
- Dividend paid	16	(28,114,991)	-	-	-	-	-	(28,114,991)
Total transactions with owners		(28,146,219)	-	-	(31,228)	-	-	(28,114,991)
Closing balance at 30 June 2016		644,629,464	222,912,569	17,949,950	(5,398,453)	-	-	409,165,398

2015	Note	Equity, total RM	Share capital (Note 34) RM	Share premium (Note 34) RM	Treasury shares (Note 34) RM	Reserve attributable to disposal group classified as held for sale (Note 37) RM	Revaluation reserves (Note 35) RM	Accumulated losses/ Distributable retained earning RM
			← Non-distributable				→	
Company								
Opening balance at 1 July 2014		249,144,293	222,912,569	17,949,950	(5,350,994)	-	45,165,000	(31,532,232)
Total comprehensive income								
Other comprehensive income								
Items that will not be reclassified subsequently to profit or loss								
- Revaluation of property, plant and equipment and biological assets	35	(7,245,068)	-	-	-	-	(7,245,068)	-
Profit net of tax		20,194,938	-	-	-	-	-	20,194,938
Total comprehensive income		12,949,870	-	-	-	-	(7,245,068)	20,194,938
Realisation of revaluation reserves	35	-	-	-	-	-	(405,967)	405,967
Transactions with owners								
Purchase of treasury shares:								
- Consideration	34	(16,080)	-	-	(16,080)	-	-	-
- Transaction costs	34	(151)	-	-	(151)	-	-	-
- Dividend paid	16	(2,162,912)	-	-	-	-	-	(2,162,912)
Reserve attributable to disposal group classified as held for sale	37	-	-	-	-	37,513,965	(37,513,965)	-
Total transactions with owners		(2,179,143)	-	-	(16,231)	37,513,965	(37,513,965)	(2,162,912)
Closing balance at 30 June 2015		259,915,020	222,912,569	17,949,950	(5,367,225)	37,513,965	-	(13,094,239)

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 2016

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Operating activities					
Profit/(loss) before tax from continuing operations		77,278,129	(10,030,733)	430,531,281	17,762,291
Profit before tax from discontinued operations		21,508,828	19,355,126	2,714,805	3,880,815
Profit before tax, total		98,786,957	9,324,393	433,246,086	21,643,106
Adjustments for:					
Allowance for impairment on biological assets	10	13,475,856	-	-	-
Allowance for impairment on inventories	11	55,440	-	-	-
Allowance for impairment on trade and other receivables	11	-	108,784	26,600	108,784
Bad debts written off	11	51,579	-	51,579	-
Amortisation of leasehold land	11	18,496	4,621,889	-	714,384
Amortisation of land use rights	11	1,044,666	1,740,910	24,727	18,551
Depreciation of property, plant and equipment	11	1,413,613	5,614,689	286,059	358,742
Depreciation of investment properties	11	-	204	-	-
Finance costs	9, 37	6,086,648	9,229,394	4,636,065	7,497,772
Inventories written off	11	632,426	98,368	-	-
Plant and equipment scrapped	11	4,903	280,932	-	29,024
Share of results of joint venture		(1,083,560)	(45,662)	-	-
Gain on fair value of financial assets	8	(169,852)	-	-	-
Loss on fair value on financial assets	10	2,110,830	1,003,745	4,094,022	1,885,554
Capital repayment	8	-	-	-	(101,925)
Loss on disposal of property, plant and equipment	11	65,505	13,186	-	-
Interest income	7, 37	(5,936,908)	(672,554)	(8,096,882)	(2,672,630)
Dividend income	5	-	-	-	(11,000,000)
Loss on disposal of biological assets	11	598,440	-	598,440	-
Gain on disposal of property, plant and equipment		(796,309)	(502,158)	(1,274,910)	(2,175,627)
Gain on disposal of subsidiaries	8	(99,533,471)	-	(428,838,666)	-
Unrealised gain on foreign exchange	8	(3,917)	(16,476)	(6,482,320)	(13,606,211)
Total adjustments		(81,965,615)	21,475,251	(434,975,286)	(18,943,582)

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Group		Company	
		2016 RM	2015 RM	2016 RM	2015 RM
Operating cash flows before changes in working capital		16,821,342	30,799,644	(1,729,200)	2,699,524
Changes in working capital					
Decrease/(increase) in other assets		13,584	966,315	(30,323)	(14,532)
Net changes in subsidiary companies		-	-	(86,851,084)	6,472,858
Decrease/(increase) in property development costs		1,479,373	(4,011,880)	-	-
Decrease in inventories		1,474,112	459,272	-	-
(Increase)/decrease in receivables		(48,582,290)	(3,295,280)	(123,391,167)	18,739,774
Increase/(decrease) in payables		15,372,569	(1,732,040)	18,095,033	1,035,183
Increase in estimated liabilities for post-employment benefit		88,652	91,248	-	-
Total changes in working capital		(30,154,000)	(7,522,365)	(192,177,541)	26,233,283
Cash flows (used in)/from operations		(13,332,658)	23,277,279	(193,906,741)	28,932,807
Tax paid		(31,244,298)	(8,152,001)	(28,001,516)	(1,483,359)
Income tax refunded		-	1,132,097	27,670	-
Interest paid		(6,086,648)	(10,470,266)	(4,636,065)	(7,497,772)
Interest received		5,125,952	-	7,323,255	-
Net cash flows (used in)/from operating activities		(45,537,652)	5,787,109	(219,193,397)	19,951,676
Investing activities					
Capital distribution paid by a subsidiary under members' voluntary winding up	22	-	-	-	101,926
Net cash inflow on disposal of subsidiaries	22	260,133,963	-	529,418,363	-
Net cash outflow on acquisition of subsidiaries	22	-	(11,180,789)	-	(11,242,473)
Proceeds from disposal of property, plant and equipment		41,357,637	808,436	41,070,525	3,076,194
Proceeds from disposal of biological assets		29,323,560	-	29,323,560	-
Prepayment of land lease rental		(774,751)	(165,907)	-	-
Interest received		-	635,225	-	27,562
Dividend received		-	-	-	11,000,000
Purchase of property, plant and equipment		(4,076,015)	(14,410,454)	(85,557)	(1,052,315)
Plantation development expenditure		(12,758,028)	(9,012,658)	-	-
Net cash flows from/(used in) investing activities		313,206,366	(33,326,147)	599,726,891	1,910,894

STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

	Note	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Financing activities					
Upliftment of fixed deposit		1,377,349	-	-	-
Placement of fixed deposit		-	(6,000,000)	-	(6,000,000)
Dividends paid		(28,114,991)	(2,162,912)	(28,114,991)	(2,162,912)
Drawdown of term loans		-	38,163,892	-	-
Drawdown of revolving credits		15,000,000	38,500,000	15,000,000	30,000,000
Drawdown of bankers' acceptance		-	6,000,000	-	-
Repayment of term loans		(9,080,916)	(17,363,644)	(59,721,096)	(14,712,082)
Repayment of revolving credits		(18,267,000)	-	(72,000,000)	-
Repayment of bankers' acceptance		-	(1,040,000)	-	-
Acquisition of treasury shares		(31,228)	(16,231)	(31,228)	(16,231)
Repayment of obligations under finance leases		(1,125,946)	(1,400,949)	(211,736)	(227,399)
Net cash flows (used in)/from financing activities		(40,242,732)	54,680,156	(145,079,051)	6,881,376
Net increase in cash and cash equivalents		227,425,982	27,141,118	235,454,443	28,743,946
Effect of exchange rate changes on cash and cash equivalents		1,769,582	3,838,455	-	-
Cash and cash equivalents at beginning of year		39,156,828	8,177,255	25,431,670	(3,312,276)
Cash and cash equivalents at end of year	29	268,352,392	39,156,828	260,886,113	25,431,670

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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 venture 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 except for the completion of the disposal of the subsidiaries and a parcel of oil palm plantation as disclosed in Note 22(b) and 37 to the financial statements. Subsequent to the disposal of the oil palm plantation, the Company ceased its operation in cultivation of oil palm.

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.

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 2015, the Group and the Company adopted the following new and amended FRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 July 2015:

Description	Effective for annual periods beginning on or after
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

The adoption of the above new and amended FRSs and IC Interpretation did not have any effect on the financial performance or position and policy of the Group and of the Company.

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 annual periods beginning on or after
Annual Improvements to FRS 2012 – 2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to FRS 11: Accounting for Acquisitions ofInterests in Joint Operations	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
FRS 107: Disclosure Initiative	1 January 2017
FRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017

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

Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of an asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group as the Group has not used a revenue-based method to depreciate its non-current assets.

Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and

- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by Malaysian Accounting Standards Board. Earlier application is permitted.

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

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

Amendments to FRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

The amendments to FRS 11 require that a joint operator which acquires an interest in a joint operations which constitute a business to apply the relevant FRS 3 Business Combinations principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to FRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

These amendments are to be applied prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. The Directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's consolidated financial statements.

Amendments to FRS 127: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associate in their separate financial statements. Entities already applying FRS and electing to change to the equity method in its separate financial statements will have to apply this change retrospectively. For first-time adopters of FRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to FRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Company's financial statements.

Amendments to FRS 101: Disclosure Initiatives

The amendments to FRS101 include narrow-focus improvements in the following five areas:

- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income arising from equity accounted investments

The Directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's and the Company's financial statements.

Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception

The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. The amendments further clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. In addition, the amendments also provides that if an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries.

The amendments are to be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Group's and the Company's financial statements.

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

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

FRS 14: Regulatory Deferral Accounts

FRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulations, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of FRS. Entities that adopt FRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in the account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. Since the Group is an existing FRS preparer, this standard would not apply.

Annual Improvements to FRSs 2012–2014 Cycle

The Annual Improvements to FRSs 2012-2014 Cycle include a number of amendments to various FRSs, which are summarised below. The Directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Group's and the Company's financial statements.

FRS 5: Non-current Assets Held for Sale and Discontinued Operations

The amendment to FRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in FRS 5.

The amendment also clarifies that changing the disposal method does not change the date of classification. This amendment is to be applied prospectively to changes in methods of disposal that occur in annual periods beginning on or after 1 January 2016, with earlier application permitted.

FRS 7: Financial Instruments: Disclosures

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in FRS 7 in order to assess whether the disclosures are required.

In addition, the amendment also clarifies that the disclosures in respect of offsetting of financial assets and financial liabilities are not required in the condensed interim financial report.

FRS 119: Employee Benefits

The amendment to FRS 119 clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

FRS 134: Interim Financial Reporting

FRS 134 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'.

The amendment states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time.

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

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

Annual Improvements to FRSs 2012–2014 Cycle (Cont'd)

FRS 107: Disclosure Initiative

The Amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The disclosure requirement could be satisfied in various ways, and one method is by providing reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

The Amendments are issued in response to requests from users of financial statements for information that will enable them to better understand the changes in a company's debt position.

The Amendments are effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted.

FRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

The Amendments are issued to clarify whether deferred tax assets should be recognised for unrealised losses on fixed-rate debt instrument measured at fair value.

The Amendments clarify that decreases in value of a debt instrument measured at fair value for which the tax base remains at its original cost give rise to a deductible temporary difference. The estimate of probable future taxable profits may include recovery of some of an entity's assets for more than their carrying amounts if sufficient evidence exists that it is probable the entity will achieve this. An example is when an entity holds a fixed-rate debt instrument (measured at fair value) and expects to collect all the contractual cash flows.

The Amendments also clarify that deductible temporary differences should be compared with the entity's future taxable profits excluding tax deductions resulting from the reversal of those deductible temporary differences when an entity evaluates whether it has sufficient future taxable profits. In addition, when an entity assesses whether taxable profits will be available, it should consider tax law restrictions with regards to the utilisation of the deduction.

The Amendments are effective for annual periods beginning on or after 1 January 2017. Earlier application is permitted.

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 its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities are allowed to defer adoption of the new MFRS Framework and continue to use the existing Financial Reporting Standards framework until the MFRS Framework is mandated by the MASB. According to an announcement made by the MASB on 28 October 2015, all Transitioning Entities shall adopt the MFRS framework and prepare their first MFRS financial statements for annual periods beginning on or after 1 January 2018.

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

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

Malaysian Financial Reporting Standards ("MFRS Framework") (Cont'd)

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 2019. 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 2016 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 2019.

The new and amended standards (which are applicable upon adoption of MFRS Framework) that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 9: Financial Instruments	1 January 2018
MFRS 2: Classification and measurement of Share-based Payment Transactions	1 January 2018
MFRS 16: Lease	1 January 2019

Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants

The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of MFRS 141. Instead, MFRS 116 will apply. After initial recognition, bearer plants will be measured under MFRS 116 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of MFRS 141 and are measured at fair value less costs to sell.

The amendments are effective for annual periods beginning on or after 1 January 2016 and are to be applied retrospectively, with early adoption permitted. The Directors anticipate that the application of these amendments will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group and the Company are currently assessing the impact of these amendments and plans to adopt the new standard on the required effective date.

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

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

Malaysian Financial Reporting Standards ("MFRS Framework") (Cont'd)

MFRS 15: Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFRS 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Directors anticipate that the application of MFRS 15 will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

MFRS 9 Financial Instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

MFRS 2: Classification and measurement of Share-based Payment Transactions

The Amendments provides specific guidance on how to account for the following situations:

(a) the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments

(b) share-based payment transactions with a net settlement feature for withholding tax obligations; and

(c) a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The Amendments shall be applied to financial statements of annual periods beginning on or after 1 January 2018. Earlier application is permitted.

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

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

Malaysian Financial Reporting Standards ("MFRS Framework") (Cont'd)

MFRS 16: Lease

MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its balance sheet as recording certain leases as off-balance sheet leases will no longer be allowed except for some limited practical exemptions. In other words, for a lessee that has material operating leases, the assets and liabilities reported on its balance sheet are expected to increase substantially.

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);

(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.

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

2.4 Basis of consolidation (Cont'd)

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.

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.

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. Summary of significant accounting policies (Cont'd)

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.

2.7 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.

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

2.7 Foreign currency (Cont'd)

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 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.

2.8 Current versus non-current classification

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

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.

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

2.9 Fair value measurement (Cont'd)

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.

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 and depreciation

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, property, plant and equipment, with the exception of plantation leasehold land, 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. Plantation leasehold land are measured at fair value less accumulated impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the plantation leasehold land at the reporting date.

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 reporting 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 and depreciation (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 recognised in profit or loss in the year the asset is derecognised.

2.11 Biological assets

Biological assets comprise oil palm planting expenditure are initially recorded at cost. Biological assets are measured at fair value less accumulated impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the biological assets at the reporting date.

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 reporting 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.

New planting expenditure incurred on land clearing and upkeep of palms to maturity is stated at cost and capitalised under biological assets. A portion of the direct overheads which include general and administrative expenses and interest expense incurred on immature plantation is similarly capitalised under biological assets until such time when the plantation attains maturity.

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

2.11 Biological assets (Cont'd)

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

2.12 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.

2.13 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.

2.14 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

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

2.14 Intangible assets (Cont'd)

Construction rights

This represents the exclusive rights granted to a subsidiary of the Company to develop 2 parcels of lands adjacent to and encompassing Sinsuran Complex in Kota Kinabalu, Sabah into a commercial development area. The construction rights is stated at cost less accumulated amortisation and impairment losses and is amortised on a systematic basis to reflect the pattern in which the asset's economic benefits are consumed.

2.15 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.

2.16 Investment in associates and joint venture

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.

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

2.16 Investment in associates and joint venture (Cont'd)

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)

2.17 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 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)

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

a) Financial assets (Cont'd)

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 profit or loss. The losses arising from impairment are recognised in 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 profit or loss. The losses arising from impairment are recognised in profit or loss as finance costs. The Group did not have any held-to-maturity investments during the years ended 30 June 2016 and 2015.

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 profit or loss.

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

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

a) Financial assets (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)

2.17 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 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 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 profit or loss – is removed from other comprehensive income and recognised in 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 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 profit or loss, the impairment loss is reversed through profit or loss.

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

2.17 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 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)

2.17 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 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.

2.18 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.

2.19 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.

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.

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

2.19 Construction contracts (Cont'd)

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.

2.20 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 profit or loss 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 profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within trade payables.

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

2.22 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.

2.23 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.

2.24 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees' Provident Fund. Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

(c) Defined benefit plans

The Group provides additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the Indonesian Labour Law No. 13/2003 (the "Labour Law"). The said additional provisions, which are unfunded, are estimated using actuarial calculations.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

2.24 Employee benefits (Cont'd)

(c) Defined benefit plans (Cont'd)

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Re-measurements comprising of actuarial gains and losses are recognised immediately in the statements of financial position with a corresponding debit or credit to retained earnings through other comprehensive in come in the period in which they occur. Re-measurement are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or assets. The Group recognises the following changes in the net defined benefit obligation under 'cost of sales', 'administration expenses' and 'selling and distribution expenses' in statements of comprehensive income (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-rounding settlements
- Net interest expense or income

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

2.26 Advance for plasma plantation projects

Plasma plantation receivable represents 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.

2.27 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.

(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 2.19.

(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.

(viii) Development properties

Revenue from sale of development properties is accounted for by the stage of completion method in respect of all building units that have been sold.

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

2.28 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 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.

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.

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

2.28 Income tax (Cont'd)

(b) Deferred tax (Cont'd)

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.

(c) Goods and Services Tax ("GST")

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the amount of GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the financial statements.

2.29 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 44, including the factors used to identify the reportable segments and the measurement basis of segment information.

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

2.31 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.

2.32 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.

2.33 Discontinued operations

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated major line of business or geographical area of operations. A component is deemed to be held for sale if its carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Upon classification as held for sale, non-current assets and disposal groups are not depreciated and are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in profit or loss.

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.

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

3.1 Judgements made in applying accounting policies

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

a) Plasma receivables

The Group evaluates the excess of accumulated development costs over the banks' and Group's funding on the amount agreed by the plasma farmers. In such cases, the Group uses judgement, based on available facts and circumstances, to assess for allowance for uncollectible plasma receivables. Provisions, if any, are re-evaluated and adjusted as additional information received. The net carrying amount of the Group's plasma receivables as at 30 June 2016 and 2015 is RM7,029,076 and RM4,930,435 respectively. Further details are disclosed in Note 25(f).

b) Deposits for acquisition of land use right

The Group evaluates the sufficiency of allowance for advances to purchase land use right based on its assessment over the plot of land rights that the related titles of ownership which are in the process of being transferred to the Group. The net carrying amount of the Group's advance for purchase of land as of 30 June 2016 amounting to RM51,247,157 (2015: RM19,512,550).

c) Proceeds from disposal of subsidiaries

During the financial year the Company disposed four of its subsidiary companies and a parcel of plantation land as described in Note 4 to the financial statements. The disposal includes 27 parcel of lands owned by a disposal subsidiary company currently under caveats by a third party ("Affected Land"). An estimated amount of RM15 million will be retained by stakeholder in an income generating account and shall only be paid to the Company within three business days of receipts by buyer and the stakeholder of a current land search result conducted at the land office confirming that the Affected Land Caveat are no longer registered against the Affected Land. Because of the uncertainty of the timing of future cash flows, the measurement of the fair value of the proceeds from disposal involves significant management judgment and assumptions.

3.2 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 14 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 0.1% (2015: 5%) variance in the Group's profit for the year.

b) 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.

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

3.2 Key sources of estimation uncertainty (Cont'd)

c) 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 other comprehensive income. The Group engaged an independent valuation specialist to assess fair value as at 30 June 2016 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.

d) 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 2016 was disclosed in Note 32. The recognised, capital allowances at 30 June 2016 was RM94,150 (2015: RM168,188) and the unrecognised tax losses and capital allowances at 30 June 2016 was RM16,221,047 (2015: RM8,083,694).

e) Defined benefit plan

The cost of defined benefit pension plans and other post employment medical benefits as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return of assets, future salary increases, mortality rates and future pension increases. All assumptions are reviewed at each reporting date. The net employee liability as at 30 June 2016 is RM235,075 (2015: RM146,423). Further details are given in Note 33.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Further details about the assumptions used are given in Note 33.

f) Property development

The Group recognises property development revenue and expenses in the statement of comprehensive income 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.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of assets and liabilities of the Group arising from property development activities are disclosed in Note 27. A 10% difference in the estimated total property development revenue or costs would result in approximate 8% (2015: 10%) variance in the Group's revenue and 8% (2015: 10%) variance in the Group's cost of sales.

4. Significant events

(i) On 8 June 2015, the Company entered into a Conditional Sale and Purchase Agreement with Pontian United Plantations Berhad for the proposed disposal by the Company of the following, for a total cash consideration of RM655,000,000:

- 5,000,000 ordinary shares of RM1.00 each in Yapidmas Plantation Sdn Bhd ("YPSB"), representing the Company's entire equity interest in YPSB;

- 100 ordinary shares of RM1.00 each in Ladang Kluang Sdn Bhd ("LKSB"), representing the Company's entire equity interest in LKSB;

- 300,000 ordinary shares of RM1.00 each in Sri Kehuma Sdn Bhd ("SKSB"), representing the Company's entire equity interest in SKSB.

- 5,500,000 ordinary shares of RM1.00 each in Tanah Emas Oil Palm Processing Sdn Bhd ("TEOPP"), representing the Company's entire equity interest in TEOPP; and

- An oil palm plantation land held under Lot CL085337524 in the District of Beluran and Locality of Mile 74, Labuk Road, Sabah measuring approximately 836.10 hectares ("Ha") owned by the Company.

The Proposed Disposal excludes the sub-leases of two estates measured at approximately 399 Ha which are currently registered in favour of YPSB.

(collectively referred to as the "Proposed Disposal").

On 22 July 2015, subject to the completion of the Proposed Disposal, the Company proposed to undertake a cash distribution of RM0.88 per ordinary share ("Proposed Distribution").

On 29 October 2015, the shareholders approved the Proposed Disposal and the Proposed Distribution.

The Proposed Disposal was completed on 14 March 2016. A special dividend of RM0.13 per share was paid on 12 April 2016 and capital repayment of RM0.75 per share was completed on 12 July 2016.

(ii) On 28 April 2016, Pacific Bloom Limited ("PBL"), a wholly-owned subsidiary of the Company has entered into 2 Conditional Sale and Purchase Agreements for the acquisition of the followings:

(a) 475 fully paid-up shares of Rp125,000,000 representing 95% of fully paid-up shares in PT Citra Enggang Nusalaras ("PT Citra"); and

(b) 475 fully paid-up shares of Rp125,000,000 representing 95% of fully paid-up shares in PT Cipta Enggang Nusalaras ("PT Cipta").

PBL also entered into 2 Service Provision Agreements with Mr. Ikhsanudin, the vendor, to engage him to assist in applying and obtaining the necessary documents to complete the land use rights arrangement in PT Citra and PT Cipta with an estimated maximum service fee of Rp124,016,000,000 and Rp101,565,000,000 respectively.

(iii) On 25 February 2016. Shinny Yield Holdings Limited, a wholly-owned subsidiary of the Company, entered into another Service Provision Agreement with PT Setara Kilau Mas Adicita and Mr. Jeffrey Lachmandas Mahtari to assist in applying another piece of land with a total land area approximately 1,170 hectares with a maximum service fee of Rp9,843,200,000.

5. Revenue

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Sale of properties	6,907,887	12,966,872	-	-
Dividend income	-	-	-	11,000,000
General contract work	1,973,333	-	-	-
Management fee income	-	-	1,177,900	1,652,825
	8,881,220	12,966,872	1,177,900	12,652,825

6. Cost of sales

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Civil and general construction cost	1,266,072	-	-	-
Property development costs	5,413,306	8,195,906	-	-
	6,679,378	8,195,906	-	-
Interest capitalised in property development cost (Note 27)	(771,520)	-	-	-
	5,907,858	8,195,906	-	-

7. Interest income

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Interest income from:				
Advances given	-	-	3,942,695	2,607,739
Short term investments and fixed deposits	5,928,566	652,967	4,154,187	64,891
	5,928,566	652,967	8,096,882	2,672,630

8. Other income

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Capital repayment gain from Jasutera Sdn Bhd	-	-	-	101,925
Unrealised gain on foreign exchange	3,917	16,476	6,482,320	13,606,211
Gain on fair value of financial assets	169,852	-	-	-
Gain on disposal of property, plant and equipment	796,309	50,757	1,274,910	2,175,627
Gain on disposal of subsidiaries	99,533,471	-	428,838,666	-
Net rental income	131,200	109,175	70,000	60,000
Management fees	-	56,000	-	-
Miscellaneous	99,203	218,928	-	123,587
	100,733,952	451,336	436,665,896	16,067,350

9. Finance costs

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Interest expense on:				
Advances	-	-	1,126,336	1,193,265
Bankers' acceptance	158,905	206,956	-	-
Bank overdrafts	55,952	125,196	17,810	77,835
Term loans	1,519,372	3,923,103	1,519,372	3,702,364
Obligations under finance leases	107,981	109,928	16,111	19,490
Revolving credits	1,970,131	2,499,884	1,790,431	2,124,746
Overdue interest	12	-	-	-
Total finance costs	3,812,353	6,865,067	4,470,060	7,117,700
Less: Interest expense capitalised in				
- Oil palm planting expenditure (Note 19)	(181,714)	(71,335)	-	-
- Property development costs (Note 27)	(6,343)	(1,169,537)	-	-
	3,624,296	5,624,195	4,470,060	7,117,700

10. Other expenses

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Allowance for impairment on biological asset	13,475,856	-	-	-
Loss on fair value of financial assets	2,110,830	1,003,745	4,094,022	1,885,554
	15,586,686	1,003,745	4,094,022	1,885,554

11. Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Auditors' remuneration				
- statutory audits	232,463	237,298	90,800	55,000
- Continuing	232,463	169,298	90,800	55,000
- Discontinued	-	68,000	-	-
- (over)/underprovision in prior years	(15,311)	14,327	-	-
- Continuing	(7,311)	14,327	-	-
- Discontinued	(8,000)	-	-	-
- other services	78,084	432,330	13,000	94,288
- Continuing	61,884	200,454	13,000	94,288
- Discontinued	16,200	231,876	-	-
Amortisation of leasehold land	18,496	4,621,889	-	714,384
- Continuing (Note 17)	18,496	18,425	-	-
- Discontinued	-	4,603,464	-	714,384
Amortisation of land use rights	1,044,666	1,740,910	24,727	18,551
- Continuing (Note 18)	1,044,666	749,698	24,727	18,551
- Discontinued	-	991,212	-	-
Bad debts written off	51,579	-	51,579	-
Allowance for impairment on trade and other receivables	-	108,784	26,600	108,784
Allowance for impairment on inventory (Note 28)	55,440	-	-	-
Depreciation of investment properties	-	204	-	-
- Discontinued	-	204	-	-
Depreciation of property, plant and equipment	1,413,613	5,614,689	286,059	358,742
- Continuing (Note 17)	1,413,613	550,327	286,059	265,686
- Discontinued	-	5,064,362	-	93,056
Employee benefits expense (Note 12)	24,245,131	25,391,454	5,385,619	3,048,814
- Continuing	8,151,606	4,023,844	4,609,624	2,185,224
- Discontinued	16,093,525	21,367,610	775,995	863,590
Equipment hire expenses	992,976	1,165,539	-	-
Inventories written off	632,426	98,368	-	-
- Continuing	632,426	17,845	-	-
- Discontinued	-	80,523	-	-
Loss on disposal of property, plant and equipment	65,505	13,186	-	-
- Continuing	4,850	-	-	-
- Discontinued	60,655	13,186	-	-
Non-executive directors' remuneration (Note 13)	171,800	202,600	171,800	202,600
Plant and equipment scrapped	4,903	280,932	-	29,024
- Continuing	755	2,615	-	2,615
- Discontinued	4,148	278,317	-	26,409
Management fees	-	-	276,642	414,963
Rental expenses	479,939	460,219	86,879	87,716
- Continuing	347,073	266,188	86,879	87,716
- Discontinued	132,866	194,031	-	-
Loss on disposal of biological assets	598,440	-	598,440	-

12. Employee benefits expense

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Wages and salaries	27,409,011	24,804,249	4,773,010	2,733,934
Contributions to defined contributions plans	1,655,874	1,612,469	578,879	244,446
Social security contributions	63,040	86,178	6,626	6,444
Other staff related expenses	297,950	425,521	27,104	63,990
	29,425,875	26,928,417	5,385,619	3,048,814
Capitalised in plantation development expenditure				
- continuing	4,368,536	1,179,997	-	-
- discontinued	265,991	-	-	-
Capitalised in property development costs	546,217	356,966	-	-
Recognised in income statements				
- continuing	8,151,606	4,023,844	4,609,624	2,185,224
- discontinued	16,093,525	21,367,610	775,995	863,590

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM4,248,395 (2015: RM3,178,447) and RM1,918,092 (2015: RM625,814) respectively.

13. Directors' remuneration

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	1,668,077	1,531,679	810,928	451,679
Bonus	1,053,000	400,100	858,000	96,100
Defined contribution plan	413,274	291,922	249,164	78,035
Total executive directors' remuneration	3,134,351	2,223,701	1,918,092	625,814
Non-executive:				
Other emoluments	3,800	37,100	3,800	37,100
Fees	168,000	165,500	168,000	165,500
Total non-executive directors' remuneration (Note 11)	171,800	202,600	171,800	202,600

13. Directors' remuneration (cont'd)

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
Directors of subsidiary companies				
Executives:				
Salaries and other emoluments	844,020	745,600	-	-
Bonus	140,940	105,560	-	-
Defined contribution plan	129,084	103,586	-	-
Total executive directors'remuneration	1,114,044	954,746	-	-
Total	4,420,195	3,381,047	2,089,892	828,414

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

	Number of directors	
	2016	2015
Executive directors:		
RM450,001 - RM500,000	-	1
RM600,001 - RM650,000	1	-
RM1,600,001 - RM1,650,000	-	1
RM2,450,001 - RM2,500,000	1	-
Non-executive directors:		
Below RM50,000	1	2
RM50,001 - RM100,000	2	2

14. Tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 June 2016 and 2015 are:

	Group		Company	
	2016	2015	2016	2015
	RM	RM	RM	RM
Statements of comprehensive income:				
Current tax - continuing operations:				
- Malaysian income tax	1,389,349	1,788,565	1,207,313	1,182,538
- Real property gain tax	25,947,202	-	25,947,202	-
- Under/(over)provision in respect of previous years	61,943	(134,777)	55,882	(134,847)
	27,398,494	1,653,788	27,210,397	1,047,691

14. Tax expense (cont'd)

Major components of income tax expense (cont'd)

The major components of income tax expense for the years ended 30 June 2016 and 2015 are: (cont'd)

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Statements of comprehensive income:				
Deferred income tax - continuing operations (Note 32):				
- Reversal of temporary differences	(2,803,312)	(56,451)	(2,686,267)	(7,216)
- (Over)/underprovision in respect of previous years	(24)	283	(24)	283
- Effect of reduction in tax rate	-	(733)	-	278
	(2,803,336)	(56,901)	(2,686,291)	(6,655)
Tax expense attributable to continuing operations	24,595,158	1,596,887	24,524,106	1,041,036
Current income tax - discontinuing operations:				
- Malaysian income tax	3,970,856	4,065,449	300,416	564,975
- Under/(over)provision in respect of previous years	555,008	(40,501)	58,935	(24,006)
	4,525,864	4,024,948	359,351	540,969
Deferred income tax - discontinuing operations:				
- Origination and reversal of temporary differences	648,115	45,062	-	(133,837)
- Under/(over)provision in respect of previous years	1,226	(199,651)	-	-
- Effect of reduction in tax rate	-	3,655	-	-
	649,341	(150,934)	-	(133,837)
Income tax expense attributable to discontinuing operations	5,175,205	3,874,014	359,351	407,132
Tax expense recognised in profit or loss	29,770,363	5,470,901	24,883,457	1,448,168
Deferred income tax related to other comprehensive income				
- Tax effect on revaluation of property, plant and equipment and biological assets	-	995,350	-	171,452

14. Tax expense (cont'd)

Reconciliation between tax expense and accounting profit/(loss)

The reconciliations between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the years ended 30 June 2016 and 2015 are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Profit/(loss) before tax from continuing operations	77,278,129	(10,030,733)	430,531,281	17,762,291
Profit before tax from discontinued operations (Note 37)	21,508,828	19,355,126	2,714,805	3,880,815
Accounting profit before tax	98,786,957	9,324,393	433,246,086	21,643,106
Tax at Malaysian statutory tax rate of 24% (2015: 25%)	23,708,870	2,331,098	103,979,061	5,410,777
Adjustments:				
Effects of reduction in tax rate	-	2,922	-	278
Income subject to different tax rate	(1,172,958)	-	(78,936,472)	-
Income not subject to taxation	(43,550)	(66,325)	(1,558,542)	(6,151,563)
Non-deductible expenses	4,965,800	3,330,514	1,207,267	2,347,246
Utilisation of current year's reinvestment allowances	(3,183)	(4,658)	-	-
Benefits from previously unrecognised tax losses and unabsorbed capital allowances	(213,238)	(347,139)	-	-
Deferred tax assets not recognised	2,170,523	610,551	77,350	-
Share of results of joint venture	(260,054)	(11,416)	-	-
Under/(over)provision of current income tax in respect of previous years	616,951	(175,278)	114,817	(158,853)
Under/(over)provision of deferred tax in respect of previous years	1,202	(199,368)	(24)	283
Tax expense recognised in profit or loss	29,770,363	5,470,901	24,883,457	1,448,168

Current tax expense is calculated at the Malaysian statutory rate of 24% (2015: 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 2016.

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Unutilised tax losses and unabsorbed agriculture and capital allowances are analysed as follows:				
Unutilised tax losses carried forward	15,899,163	7,900,611	-	-
Unabsorbed capital and agriculture allowances carried forward	416,034	351,271	12,154	-

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 2016 and 2015:

	Group	
	2016 RM	2015 RM
Profit net of tax attributable to owners of the parent	70,076,433	3,860,285
Less: Profit from discontinued operations attributable to owners of the parent	(16,333,623)	(15,481,112)
Profit/(loss) net of tax from continuing operations used in the computation of earnings per share	53,742,810	(11,620,827)

	Group	
	2016 RM Number of shares	2015 RM Number of shares
Weighted average number of ordinary shares for basic earnings per share computation *	216,272,530	216,289,185

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

(a) Continuing operations

Basic profit/(loss) per share amounts are calculated by dividing profit/(loss) for the year from continuing operations, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

(b) Discontinued operations

The basic earnings per share from discontinued operation are calculated by dividing the profit from discontinued operation, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares for basic earnings per share computation.

16. Dividend

	Company	
	2016 RM	2015 RM
Recognised during the financial year:		
Dividend on ordinary shares:		
- Final single-tier dividend for 2014: 1 sen per share	-	2,162,912
- Special single-tier dividend for 2016: 13 sen per share	28,114,991	-

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 2014	308,729,209	57,680,552	38,933,261	23,075,979	3,783,208	1,227,311	433,429,520
Additions	-	1,917,457	424,934	3,138,741	527,361	9,959,961	15,968,454
Acquisition of subsidiaries	-	-	-	202,675	65,921	-	268,596
Disposals	-	(150,220)	(85,530)	(1,307,466)	(6,800)	-	(1,550,016)
Scrapped	-	(1,025,742)	(2,498,507)	(1,741,758)	(739,138)	-	(6,005,145)
Revaluation Surplus	4,107,157	-	-	-	-	-	4,107,157
Transfer*	(4,603,464)	-	-	-	-	-	(4,603,464)
Reclassifications	-	2,251,315	(14,355)	-	(38,664)	(2,198,296)	-
Exchange differences	-	184,540	38,901	10,688	38,328	298	272,755
Attributable to discontinued Operations (Note 37)	(306,866,652)	(52,415,891)	(33,763,062)	(10,217,754)	(1,404,790)	(538,841)	(405,206,990)
At 30 June 2015	1,366,250	8,442,011	3,035,642	13,161,105	2,225,426	8,450,433	36,680,867
Representing:							
At cost	1,366,250	8,442,011	3,035,642	13,161,105	2,225,426	8,450,433	36,680,867
At 30 June 2015	1,366,250	8,442,011	3,035,642	13,161,105	2,225,426	8,450,433	36,680,867
Cost or valuation							
At 1 July 2015	1,366,250	8,442,011	3,035,642	13,161,105	2,225,426	8,450,433	36,680,867
Additions	-	193,664	111,387	930,623	216,844	1,848,370	3,300,888
Disposals	-	-	-	(343,861)	-	-	(343,861)
Scrapped	-	-	-	(165,509)	(4,039)	-	(169,548)
Reclassifications	-	698,440	1,043,214	111,406	(1,872)	(1,851,188)	-
Exchange differences	-	302,788	50,547	107,972	57,431	625,134	1,143,872
At 30 June 2016	1,366,250	9,636,903	4,240,790	13,801,736	2,493,790	9,072,749	40,612,218
Representing:							
At cost	1,366,250	9,636,903	4,240,790	13,801,736	2,493,790	9,072,749	40,612,218
At 30 June 2016	1,366,250	9,636,903	4,240,790	13,801,736	2,493,790	9,072,749	40,612,218

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

	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							
Accumulated depreciation							
At 1 July 2014	220,650	16,083,409	28,285,261	19,591,670	2,246,674	-	66,427,664
Depreciation charge for the year	4,621,889	2,273,131	1,938,383	1,689,384	375,577	-	10,898,364
Recognised in income statement	4,621,889	2,066,024	1,779,970	1,481,149	287,546	-	10,236,578
Capitalised under plantation development expenditure	-	207,107	158,413	208,235	64,757	-	638,512
Capitalised under property development cost	-	-	-	-	23,274	-	23,274
Acquisition of subsidiaries	-	-	-	181,162	29,134	-	210,296
Disposals	-	(72,106)	(69,101)	(1,084,271)	(5,074)	-	(1,230,552)
Scrapped	-	(996,088)	(2,285,684)	(1,734,619)	(707,822)	-	(5,724,213)
Reclassification	-	11,526	-	(315,130)	303,604	-	-
Exchange differences	-	28,951	6,847	5,426	11,155	-	52,379
Attributable to discontinued operations (Note 37)	-	(14,679,171)	(25,474,397)	(9,141,040)	(784,857)	-	(50,079,465)
Transfer*	(4,603,464)	-	-	-	-	-	(4,603,464)
At 30 June 2015	239,075	2,649,652	2,401,309	9,192,582	1,468,391	-	15,951,009
Representing:							
At cost	239,075	2,649,652	2,401,309	9,192,582	1,468,391	-	15,951,009
At 30 June 2015	239,075	2,649,652	2,401,309	9,192,582	1,468,391	-	15,951,009

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 2015	239,075	2,649,652	2,401,309	9,192,582	1,468,391	-	15,951,009
Depreciation charge for the year	18,496	500,951	359,539	1,164,693	291,060	-	2,334,739
Recognised in income statement	18,496	265,185	34,458	925,477	188,493	-	1,432,109
Capitalised under plantation development expenditure	-	235,766	325,081	239,216	79,013	-	879,076
Capitalised under property development cost	-	-	-	-	23,554	-	23,554
Disposals	-	-	-	(237,127)	-	-	(237,127)
Scrapped	-	-	-	(165,508)	(3,285)	-	(168,793)
Reclassification	-	-	16	-	(16)	-	-
Exchange differences	-	58,903	16,557	15,607	23,203	-	114,270
At 30 June 2016	257,571	3,209,506	2,777,421	9,970,247	1,779,353	-	17,994,098
Representing:							
At cost	257,571	3,209,506	2,777,421	9,970,247	1,779,353	-	17,994,098
At 30 June 2016	257,571	3,209,506	2,777,421	9,970,247	1,779,353	-	17,994,098
Net carrying amount							
At cost	1,127,175	5,792,359	634,333	3,968,523	757,035	8,450,433	20,729,858
At 30 June 2015	1,127,175	5,792,359	634,333	3,968,523	757,035	8,450,433	20,729,858
At cost	1,108,679	6,427,397	1,463,369	3,831,489	714,437	9,072,749	22,618,120
At 30 June 2016	1,108,679	6,427,397	1,463,369	3,831,489	714,437	9,072,749	22,618,120

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

Plantations infrastructure and buildings comprise:

	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Group			
Cost			
At 1 July 2014	18,816,042	38,864,510	57,680,552
Additions	679,456	1,238,001	1,917,457
Disposal	-	(150,220)	(150,220)
Scrapped	-	(1,025,742)	(1,025,742)
Reclassifications	-	2,251,315	2,251,315
Exchange differences	-	184,540	184,540
Attributable to discontinued operations	(19,373,670)	(33,042,221)	(52,415,891)
At 30 June 2015	121,828	8,320,183	8,442,011
At 1 July 2015	121,828	8,320,183	8,442,011
Additions	62,674	130,990	193,664
Reclassifications	-	698,440	698,440
Exchange differences	-	302,788	302,788
At 30 June 2016	184,502	9,452,401	9,636,903
Accumulated depreciation			
At 1 July 2014	2,223,258	13,860,151	16,083,409
Depreciation charge for the year	407,241	1,865,890	2,273,131
Recognised in income statement	407,241	1,658,783	2,066,024
Capitalised under oil palm planting expenditure	-	207,107	207,107
Disposal	-	(72,106)	(72,106)
Scrapped	-	(996,088)	(996,088)
Reclassification	-	11,526	11,526
Exchange differences	-	28,951	28,951
Attributable to discontinued operations	(2,523,262)	(12,155,909)	(14,679,171)
At 30 June 2015	107,237	2,542,415	2,649,652

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

Group	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
At 1 July 2015	107,237	2,542,415	2,649,652
Depreciation charge for the year	644	500,307	500,951
Recognised in income statement	644	264,541	265,185
Capitalised under oil palm planting expenditure	-	235,766	235,766
Exchange differences	-	58,903	58,903
At 30 June 2016	107,881	3,101,625	3,209,506
Net carrying amount			
At 30 June 2015	14,591	5,777,768	5,792,359
At 30 June 2016	76,621	6,350,776	6,427,397

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 2014	38,577,000	1,857,581	2,098,619	1,750,436	625,372	44,909,008
Additions	-	-	607,011	290,137	355,167	1,252,315
Scrapped	-	-	(29,520)	(587,562)	(123,544)	(740,626)
Revaluation surplus	714,384	-	-	-	-	714,384
Transfer*	(714,384)	-	-	-	-	(714,384)
Attributable to discontinued operations (Note 37)	(38,577,000)	(1,857,581)	-	(212,600)	(349,080)	(40,996,261)
At 30 June 2015	-	-	2,676,110	1,240,411	507,915	4,424,436
Representing:						
At cost	-	-	2,676,110	1,240,411	507,915	4,424,436
At 30 June 2015	-	-	2,676,110	1,240,411	507,915	4,424,436
At 1 July 2015	-	-	2,676,110	1,240,411	507,915	4,424,436
Additions	-	-	-	313,699	31,858	345,557
Disposal	-	-	-	(279,500)	-	(279,500)
At 30 June 2016	-	-	2,676,110	1,274,610	539,773	4,490,493
Representing:						
At cost	-	-	2,676,110	1,274,610	539,773	4,490,493
At 30 June 2016	-	-	2,676,110	1,274,610	539,773	4,490,493

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						
Accumulated depreciation						
At 1 July 2014	-	290,632	209,474	1,149,102	345,200	1,994,408
Depreciation charge for the year	714,384	35,613	42,411	206,370	74,348	1,073,126
Scrapped	-	-	(29,507)	(580,445)	(101,650)	(711,602)
Transfer*	(714,384)	-	-	-	-	(714,384)
Attributable to discontinued operations (Note 37)	-	(326,245)	-	(149,922)	-	(476,167)
At 30 June 2015	-	-	222,378	625,105	317,898	1,165,381
At 1 July 2015	-	-	222,378	625,105	317,898	1,165,381
Depreciation charge for the year	-	-	53,532	182,167	50,360	286,059
Disposal	-	-	-	(182,616)	-	(182,616)
At 30 June 2016	-	-	275,910	624,656	368,258	1,268,824
Net carrying amount						
At cost	-	-	2,453,732	615,306	190,017	3,259,055
At 30 June 2015	-	-	2,453,732	615,306	190,017	3,259,055
At cost	-	-	2,400,200	649,954	171,515	3,221,669
At 30 June 2016	-	-	2,400,200	649,954	171,515	3,221,669

* 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 2016 would be as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Leasehold land	1,108,679	1,127,175	-	-

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

Assets held under finance leases

The Group and the Company acquired plant and equipment with an aggregate cost of RM360,000 (2015: RM1,558,000) and RM260,000 (2015: RM200,000) respectively by means of finance leases. The cash outflow by the Group and the Company on acquisition of property, plant and equipment amounted to RM2,940,888 (2015: RM14,410,454) and RM85,557 (2015: RM1,052,315) respectively.

The carrying amount of property, plant and equipment held under finance lease at the reporting date were RM1,990,449 (2015: RM2,729,947) and RM521,224 (2015: RM677,983) respectively.

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

18. Land use rights

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
At beginning of year	28,651,133	48,569,816	468,719	3,662,450
Additions	737,248	165,907	233,864	-
Exchange differences	1,704,926	(297,683)	-	-
Reclassified from property development cost (Note 27)	233,864	487,270	-	-
Amortisation for the year (Note 11)	(1,044,666)	(1,740,910)	(24,727)	(18,551)
Disposal	-	-	-	(900,567)
Reclassification	-	-	-	(2,274,613)
Attributable to discontinued operations (Note 37)	-	(18,533,267)	-	-
At end of year	30,282,505	28,651,133	677,856	468,719
Amount to be amortised:				
- Not later than one year	1,044,666	1,740,910	24,727	18,551
- Later than one year but not later than five years	4,178,664	6,963,640	98,908	74,204
- Later than five years	25,059,175	19,946,583	554,221	375,964

19. Biological assets

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Plantation development expenditure				
Cost or valuation				
At beginning of year:	16,862,127	302,356,110	-	37,710,000
Additions	13,215,239	9,722,505	-	-
Transfer to plasma plantation plantation receivables	(319,891)	(533,919)	-	-
Revaluation deficit	-	(84,574,296)	-	(7,788,000)
Acquisition of subsidiary	-	27,144	-	-
Exchange differences	1,227,495	575,490	-	-
Allowance for impairment (Note 10)	(13,475,856)	-	-	-
Attributable to discontinued operations (Note 37)	-	(210,710,907)	-	(29,922,000)
At end of year	17,509,114	16,862,127	-	-
Representing:				
At valuation	17,509,114	16,862,127	-	-
At end of year	17,509,114	16,862,127	-	-

Included in oil palm planting expenditure incurred during the year are:

	Group	
	2016 RM	2015 RM
Depreciation of property, plant and equipment (Note 17)	879,076	638,512
Interest on advances (Note 9)	181,714	54,543
Interest on term loans (Note 9)	-	16,792
Plantation management fee	-	58,296
Employees benefits expense (Note 12)	4,368,536	1,179,997

(a) During the financial year, the Group incurred plantation development expenditure with an aggregate cost of RM13,215,239 (2015: RM9,722,505) as follows:

	2016 RM	2015 RM
Interest capitalised under oil palm planting expenditure	181,714	71,335
Depreciation of property, plant and equipment capitalised under oil palm planting expenditure	879,076	638,512
Cash payments made for oil palm planting expenditure	12,154,449	9,012,658
	13,215,239	9,722,505

19. Biological assets (Cont'd)

(b) 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 2016 would be as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Biological assets	17,509,114	16,862,127	-	-

The fair value of the biological assets as at 30 June 2016 are based on an independent valuation carried out by a registered professional valuer using income approach with discounted cash flow method.

The key unobservable inputs used in the valuation models are disclosed in Note 40.

20. Investment properties

	Group	
	2016 RM	2015 RM
Cost		
At beginning of year	25,979,188	26,155,188
Attributable to discontinued operations (Note 37)	-	(176,000)
At end of year	25,979,188	25,979,188
Accumulated depreciation		
At beginning of year	-	2,590
Charge for the year	-	204
Attributable to discontinued operations (Note 37)	-	(2,794)
At end of year	-	-
Net carrying amount at end of year	25,979,188	25,979,188

Fair values of investment properties

The fair value of the investment properties above which are located in prime areas as at 30 June 2016 are estimated at RM64,500,000 (2015: RM64,500,000) based on an independent valuation carried out by a registered professional valuer using the comparison method by reference to recent transactions involving other similar properties in the vicinity.

Fair value hierarchy disclosures for investment properties are in Note 40.

Properties pledged as security

In previous financial year, certain investment properties of the Group amounting RM16,583,038 were mortgaged as securities for bank borrowings as disclosed in Note 30.

21. Intangible assets

	Group 2016 RM	Group 2015 RM
Goodwill		
Cost		
At 1 July	-	27,402,256
Attributable to winding up of a subsidiary	-	(526,920)
Attributable to discontinued operations (Note 37)	-	(26,875,336)
At 30 June	-	-
Accumulated impairment loss		
At 1 July	-	526,920
Attributable to winding up of a subsidiary	-	(526,920)
At 30 June	-	-
Net carrying amount		
At 30 June	-	-
Rights		
Cost		
At 1 July	8,913,064	-
Addition	-	8,913,064
At 30 June	8,913,064	8,913,064
Total intangible assets (Goodwill and rights)	8,913,064	8,913,064

Construction Rights

This represents the exclusive rights granted to a subsidiary of the Company to develop 2 parcels of lands adjacent to and encompassing Sinsuran Complex in Kota Kinabalu, Sabah into a commercial development area.

22. Investments in subsidiaries

	Company 2016 RM	Company 2015 RM
Unquoted shares at cost	36,371,599	166,580,734
Less: Accumulated impairment losses	-	(32,210,042)
Attributable to discontinued operations (Note 37)	-	(97,999,093)
At 30 June	36,371,599	36,371,599

Details of subsidiaries held by the Company are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2016 %	Proportion of ownership interest 2015 %	Proportion (%) ownership by non-controlling interest 2016 %	Proportion (%) ownership by non-controlling interest 2015 %
Held by the Company:						
Yapidmas Plantation Sdn. Bhd. [i]	Malaysia	Cultivation of oil palm and provision of management service	-	100	-	-
Tanah Emas Oil Palm Processing Sdn. Bhd. [i]	Malaysia	Processing of crude palm oil and palm kernel	-	100	-	-
Tanah Emas Construction Sdn. Bhd.	Malaysia	Provision of general construction and civil works	100	100	-	-
Ladang Kluang Sdn. Bhd. [i]	Malaysia	Cultivation of oil palm	-	100	-	-
Sri Kehuma Sdn. Bhd. [i]	Malaysia	Cultivation of oil palm	-	100	-	-
Ladang Tunas Hijau Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sparkle Selections Sdn. Bhd.	Malaysia	Property holding	100	100	-	-
Spectrum 88 Sdn. Bhd.	Malaysia	Property holding	100	100	-	-
GL Green Resources Sdn. Bhd.	Malaysia	Cultivation of oil palm	100	100	-	-
Pacific Bloom Limited.	British Virgin Island	Investment holding	100	100	-	-
Gainfield International Limited. [iii]	Hong Kong	Investment holding	100	100	-	-
Better Yield Limited. [iii]	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	-	-
Mirabumi Sdn Bhd	Malaysia	Investment holding	100	100	-	-

22. Investments in subsidiaries (Cont'd)

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2016 %	Proportion of ownership interest 2015 %	Proportion (%) ownership by non-controlling interest 2016 %	Proportion (%) ownership by non-controlling interest 2015 %
Held by the Company: (Cont'd)						
Absolute Synergy Limited.	British Virgin Island	Investment holding	100	100	-	-
Shinny Yield Holdings Limited.	British Virgin Island	Investment holding	100	100	-	-
Parimo Agri Holding Pte. Ltd. [iii]	Singapore	Investment holding	68.75	68.75	31.25	31.25
Parigi Plantation Holding Pte. Ltd. [iii]	Singapore	Investment holding	68.75	68.75	31.25	31.25
Held through subsidiaries:						
Tanah Emas Properties Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Winapermai Sdn. Bhd.	Malaysia	Property development	60	60	40	40
Perfect Element Plantation Pte Ltd. [ii]	Cambodia	Dormant	100	100	-	-
NWP (Cambodia) Pte Ltd. [ii]	Cambodia	Dormant	100	100	-	-
Malaysian Palm Plantation Pte Ltd. [ii]	Cambodia	Dormant	100	100	-	-
PT Tasnida Agro Lestari [iii]	Indonesia	Cultivation of oil palm	95	95	5	5
PT Ampibabo Agro Lestari [iii]	Indonesia	Cultivation of oil palm	55	55	45	45
PT Agri Toribulu Asri [iii]	Indonesia	Cultivation of oil palm	55	55	45	45

i. Disposed on 14 March 2016.
ii. Under Members' Voluntary Winding Up on 26 August 2014.
iii. Audited by firms other than Ernst & Young.

22. Investments in subsidiaries (Cont'd)

(a) Material partly-owned subsidiary

Summarised financial information of PT Tasnida Agro Lestari, Winapermai Sdn Bhd, Parimo Agri Holding Pte Ltd. and Parigi Plantation Holding Pte. Ltd. which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination. The non-controlling interests in respect of other subsidiaries is not material to the Group.

(i) Summarised statements of financial position

	PT Tasnida Agro Lestari		Winapermai Sdn. Bhd.		Parimo Agri Holding Pte Ltd.		Parigi Plantation Holding Pte Ltd.	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM
Assets and liabilities								
Non-current assets	61,600,840	49,954,560	126,659	26,917	2,029,049	688,278	2,763,718	683,775
Current assets	11,825,601	7,361,941	8,519,735	7,208,733	119,175	693,784	902,736	871,486
Total assets	73,426,441	57,316,501	8,646,394	7,235,650	2,148,224	1,382,062	3,666,454	1,555,261
Current liabilities	74,680,937	49,454,815	12,435,008	10,624,024	2,731,061	1,563,071	4,638,561	1,860,363
Non-current liabilities	186,826	146,423	-	-	-	-	48,246	-
Total liabilities	74,867,763	49,601,238	12,435,008	10,624,024	2,731,061	1,563,071	4,686,807	1,860,363
Net assets/(liabilities)	(1,441,322)	7,715,263	(3,788,614)	(3,388,374)	(582,837)	(181,009)	(1,020,353)	(305,102)
Equity attributable to owners of the Company	(1,848,519)	6,883,236	(2,625,598)	(2,357,020)	(408,693)	(179,734)	(639,551)	(240,403)
Non-controlling interests	407,197	832,027	(1,163,016)	(1,031,354)	(174,144)	(1,275)	(380,802)	(64,699)
	(1,441,322)	7,715,263	(3,788,614)	(3,388,374)	(582,837)	(181,009)	(1,020,353)	(305,102)

22. Investments in subsidiaries (Cont'd)

(a) Material partly-owned subsidiary (Cont'd)

(ii) Summarised statements of comprehensive income

	PT Tasnida Agro Lestari		Winapermai Sdn. Bhd.		Parimo Agri Holding Pte Ltd.		Parigi Plantation Holding Pte Ltd.	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM
Results								
Revenue	-	-	-	-	-	-	-	-
Loss for the year	(8,801,496)	(2,373,000)	(331,372)	(306,968)	(397,130)	(94,840)	(701,202)	(109,543)
Other comprehensive income/(loss) for the year	304,839	(610,114)	-	-	2,134	(7,984)	(4,059)	(10,375)
Total comprehensive loss for the year	(8,496,657)	(2,983,114)	(331,472)	(306,968)	(394,996)	(102,824)	(705,261)	(119,918)
Loss attributable to:								
- owners of the parent	(8,361,421)	(2,254,350)	(199,809)	(184,181)	(221,501)	(53,388)	(388,730)	(61,643)
- non-controlling interests	(440,075)	(118,650)	(131,663)	(122,787)	(175,629)	(41,452)	(312,472)	(47,900)
	(8,801,496)	(2,373,000)	(331,472)	(306,968)	(397,130)	(94,840)	(701,202)	(109,543)
Other comprehensive income/(loss) attributable								
- owners of the parent	289,597	(579,607)	-	-	1,174	(7,481)	(2,232)	(8,432)
- non-controlling interests	15,242	(30,507)	-	-	960	(503)	(1,827)	(1,943)
	304,839	(610,114)	-	-	2,134	(7,984)	(4,059)	(10,375)
Total comprehensive loss attributable to:								
- owners of the parent	(8,071,824)	(2,833,957)	(199,809)	(184,181)	(220,327)	(60,869)	(390,962)	(70,075)
- non-controlling interests	(424,833)	(149,157)	(131,663)	(122,787)	(174,669)	(41,955)	(314,299)	(49,843)
	(8,496,657)	(2,983,114)	(331,472)	(306,968)	(394,996)	(102,824)	(705,261)	(119,918)

22. Investments in subsidiaries (Cont'd)

(a) Material partly-owned subsidiary (Cont'd)

(iii) Summarised cash flows

	PT Tasnida Agro Lestari		Winapermai Sdn. Bhd.		Parimo Agri Holding Pte Ltd.		Parigi Plantation Holding Pte Ltd.	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM
Net cash flows from/(used in) operating activities	15,800,040	17,256,021	395	(8,114)	1,661,561	361,541	622,263	967,759
Net cash flows used in investing activities	(10,595,592)	(17,482,152)	(9,488)	(3,213)	(1,992,649)	(465)	(850,272)	(443,104)
Net cash flows used in financing activities	-	-	(1,449)	(24,669)	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	5,204,448	(226,131)	(10,542)	(35,996)	(331,088)	361,076	(228,009)	524,655
Effect of exchange rate changes on cash and cash equivalents	(367,250)	503,456	-	-	474	(7,985)	(29,711)	(10,376)
Cash and cash equivalents at beginning of the year/ period	820,454	543,490	20,406	56,402	354,774	1,684	517,877	3,598
Cash and cash equivalents at end of the year/period	5,657,652	820,815	9,864	20,406	24,160	354,775	260,157	517,877

22. Investments in subsidiaries (Cont'd)

(b) Disposal of subsidiaries in current financial year

During the financial year, the Company disposed the entire equity interests in Yapidmas Plantation Sdn. Bhd. ("YPSB"), Sri Kehuma Sdn. Bhd. ("SKSB"), Ladang Kluang Sdn. Bhd. ("LKSB") and Tanah Emas Oil Palm Processing Sdn. Bhd. ("TEOPP"), which are respectively wholly-owned subsidiaries of the Company for a total consideration of RM583,280,000.

The disposal had the following effects on the financial position of the Company as at the end of the financial year:

	2016 RM
Property, plant and equipment	315,738,405
Land use rights	18,570,770
Biological assets	181,211,820
Investment property	173,206
Inventories	2,313,843
Trade and other receivables	10,043,663
Tax refundable	240,575
Cash and bank balances	19,722,614
Borrowings	(697,238)
Trade and other payables	(16,031,893)
Provision for taxation	(1,116,524)
Deferred taxation	(86,739,276)
	443,429,965
Attributable goodwill	26,875,336
	470,305,301
Fair value of disposal proceeds, net of incidental costs	(560,997,299)
Final dividend	(8,841,473)
Gain on disposal to the Group	99,533,471
Cash inflow arising on disposals:	
Disposal proceeds, net of incidental costs	563,577,903
Settlement of borrowings	(194,312,799)
Deferred payment	(98,250,000)
Cash consideration	271,015,104
Final dividend	8,841,473
Cash and cash equivalents of subsidiaries disposed	(19,722,614)
Net cash inflow on disposal of subsidiaries	260,133,963

22. Investments in subsidiaries (Cont'd)

(c) Acquisition of subsidiaries in previous financial year

(i) Acquisition of Mirabumi Sdn. Bhd.

On 15 August 2014, the Company acquired 100% equity interest in Mirabumi Sdn. Bhd., an unlisted company incorporated in Malaysia.

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

	2015 RM
Property, plant and equipment	29,595
Other current assets	6,177,070
Cash and bank balances	56,402
	6,263,067
Trade and other payables	(9,387,384)
Borrowings	(21,309)
	(9,408,693)
Net assets acquired	(3,145,626)
The effect of the acquisition on cash flows is as follows:	
Purchase consideration	7,000,000
Less: Cash and cash equivalents of subsidiary acquired	(56,402)
Net cash outflow on acquisition	6,943,598

(ii) Acquisition of Parimo Agri Holding Pte. Ltd.

On 15 April 2015, the Company acquired 68.75% equity interest in Parimo Agri Holding Pte. Ltd., an unlisted company incorporated in Singapore.

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

	2015 RM
Biological assets	16,011
Other non-current receivables	210,910
Other current receivables	321,200
Other current assets	5,130
Cash and bank balances	1,684
	554,935
Trade and other payables	(633,118)
Net liabilities acquired	(78,183)

22. Investments in subsidiaries (Cont'd)

(c) Acquisition of subsidiaries in previous financial year (Cont'd)

(ii) Acquisition of Parimo Agri Holding Pte. Ltd. (Cont'd)

	2015 RM
The effect of the acquisition on cash flows is as follows:	
Purchase consideration	2,403,029
Less: Cash and cash equivalents of subsidiary acquired	(1,684)
Net cash outflow on acquisition	2,401,345

(iii) Acquisition of Parigi Plantation Holdings Pte. Ltd.

On 15 April 2015, the Company acquired 68.75% equity interest in Parigi Plantation Holding Pte. Ltd., an unlisted company incorporated in Singapore.

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

	2015 RM
Property, plant and equipment	28,705
Biological assets	11,133
Other non-current receivables	221,919
Inventories	308,101
Other current assets	7,270
Cash and bank balances	3,598
	580,726
Trade and other payables	(762,308)
Net liabilities acquired	(181,582)
The effect of the acquisition on cash flows is as follows:	
Purchase consideration	1,839,444
Less: Cash and cash equivalents of subsidiary acquired	(3,598)
Net cash outflow on acquisition	1,835,846

22. Investments in subsidiaries (Cont'd)

(d) Winding up of a subsidiary in previous financial year

On 30 January 2015, Jasutera Sdn. Bhd., a wholly-owned subsidiary had been struck off from the register of Companies Commission of Malaysia.

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

	Company 2015 RM
Cash and bank balances, net of winding up expenses, representing capital contribution to the Company	101,926
Cost of investment, net of impairment	(1)
Gain on winding up to the Company	101,925

23. Investment in an associate

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 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

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

Name of associate company	Principal activity	Equity interest held (%) 2016	Equity interest held (%) 2015
Tanah Emas Bio-Tech Sdn. Bhd.	Investment holding	49.98	49.98

The summarised financial information of the associate is as follows:

	2016 RM	2015 RM
Assets and liabilities:		
Total assets	-	101
Total liabilities	-	(674,393)
Results:		
Revenue	-	-
Profit/(loss) for the year	674,292	(107,684)

24. Investment in joint venture

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Unquoted shares at cost	5,000,000	5,000,000	5,000,000	5,000,000
Share of post acquisition losses	(202,012)	(1,285,572)	-	-
At end of year	4,797,988	3,714,428	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 a property investment 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:

	2016 RM	2015 RM
Assets and liabilities:		
Non-current assets	44,253,901	44,302,682
Current assets	263,512	3,327,014
Current liabilities	2,404,395	1,831,057
Non-current liabilities including amounts due to shareholders RM13,765,989 (2015: RM17,165,151)	32,765,989	39,139,324
Results:		
Revenue	-	-
Profit for the year	2,167,120	91,324

25. Trade and other receivables

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Current				
Trade receivables				
Third parties	5,299,689	12,980,498	-	-
Amount due from a subsidiary	-	-	124,883	819,921
	5,299,689	12,980,498	124,883	819,921
Less: Allowance for impairment	(693,913)	(693,913)	-	-
	4,605,776	12,286,585	124,883	819,921
Less: Attributable to discontinued operations (Note 37)	-	(8,408,600)	-	-
Trade receivables, net	4,605,776	3,877,985	124,883	819,921
Current				
Other receivables				
Amount due from subsidiaries	-	-	10,083,356	11,281,769
Other deposits	254,349	219,186	49,347	48,687
Sundry receivables	73,760,637	1,599,723	72,326,671	2,416,661
Interest receivable	810,956	-	810,956	37,329
GST and VAT receivables	1,947,131	1,258,346	27,338	-
	76,773,073	3,077,255	83,297,668	13,784,446
Less: Allowance for impairment	-	-	(8,924,705)	(8,924,705)
	76,773,073	3,077,255	74,372,963	4,859,741
Less: Attributable to discontinued operations (Note 37)	-	(899,364)	-	-
Other receivables, net	76,773,073	2,177,891	74,372,963	4,859,741
	81,378,849	6,055,876	74,497,846	5,679,662

25. Trade and other receivables (Cont'd)

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Non-current				
Other receivables				
Deposits and prepayment for acquisition of equity interest in corporations	33,645,395	25,120,142	-	64,353
Prepayment for obtaining land use right	51,247,157	19,512,550	43,885,439	13,900,919
Advances to a joint venture partner	15,256,890	15,256,881	10,954,521	12,937,713
Advances to a joint venture company	6,927,637	8,475,768	6,927,637	8,475,768
Amount due from subsidiaries	-	-	188,524,889	136,553,043
Amount due from an associate	-	770,112	-	770,112
Plasma plantation receivables	7,029,076	4,930,435	-	-
Sundry receivables	27,419,396	-	27,419,396	-
	141,525,551	74,065,888	277,711,882	172,701,908
Less: Allowance for impairment				
At beginning of year	(770,112)	(661,328)	(770,112)	(661,328)
Provision of impairment	-	(108,784)	(26,600)	(108,784)
Impaired	770,112	-	770,112	-
At end of year	-	(770,112)	(26,600)	(770,112)
Other receivables, net	141,525,551	73,295,776	277,685,282	171,931,796
Total trade and other receivables (current and non-current)	222,904,400	79,351,652	352,183,128	177,611,458
Add: Cash and bank balances (Note 29)	274,574,789	36,943,862	267,108,510	31,431,670
Less: Prepayments and non-refundable deposits	(84,892,552)	(44,632,692)	(43,885,439)	(13,965,272)
GST and VAT receivables	(1,947,131)	(1,258,346)	(27,338)	-
Plasma plantation receivables	(7,029,076)	(4,930,435)	-	-
Total loans and receivables	403,610,430	65,474,041	575,378,861	195,077,856

a) **Trade receivables**

Trade receivables are non-interest bearing and are generally on 7 to 60 days (2015: 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.

25. Trade and other receivables (Cont'd)

a) Trade receivables (Cont'd)

Aging analysis trade receivables

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

	Group	
	2016 RM	2015 RM
Neither past due nor impaired	1,780,612	1,821,803
31 to 60 days past due not impaired	576,490	-
91 to 120 days past due not impaired	-	-
More than 121 days past due not impaired	2,248,674	2,056,182
	2,825,164	2,056,182
	4,605,776	3,877,985

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.

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 RM2,825,164 (2015: RM2,056,182) that are past due at the reporting date but not impaired. These balances are unsecured in nature.

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 5.75% to 7.85% (2015: 5.65% to 7.85%) per annum.

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

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 amounting to RM33,327,545 (2015: RM24,704,467).

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, non-interest bearing (2015: 3.05% per annum) and to be settled upon demand.

25. Trade and other receivables (Cont'd)

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.

Other receivables that are impaired

At the reporting date, the Group and the Company has provided an allowance of Nil (2015: RM770,112) and RM8,951,305 (2015: RM9,694,817) respectively for impairment of other receivables.

26. Other assets

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Current				
Prepayments	7,068,692	7,560,324	90,121	59,798
Amount due from customers on contract work	2,416,987	2,416,987	-	-
Accrued billings in respect of property development cost	613,186	-	-	-
	10,098,865	9,977,311	90,121	59,798
Non-current				
Prepayments	1,149,499	1,284,637	-	-
Total other assets	11,248,364	11,261,948	90,121	59,798

Amount due from customers on contract work

	Group	
	2016 RM	2015 RM
Construction contract costs incurred to date	46,954,063	46,954,063
Attributable profits	(1,721,844)	(1,721,844)
	45,232,219	45,232,219
Less: Progress billings	(42,815,232)	(42,815,232)
Due from customers	2,416,987	2,416,987

26. Other assets (Cont'd)

Accrued billings in respect of property development cost

	Group 2016 RM	Group 2015 RM
Construction revenue recognised in income statement	19,874,759	-
Less: Progress billings recognised as revenue	(19,261,573)	-
	613,186	-

27. Property development costs

	Freehold Land RM	Development Costs RM	Total RM
Group			
At 1 July 2014	5,325,567	11,314,711	16,640,278
Additions	17,000	13,383,597	13,400,597
Reclassified to land use rights (Note 18)	(487,270)	-	(487,270)
Cost recognised during the year	(1,344,784)	(6,851,122)	(8,195,906)
At 30 June 2015	3,510,513	17,847,186	21,357,699
At 1 July 2015	3,510,513	17,847,186	21,357,699
Additions	-	3,172,383	3,172,383
Reclassified to land use rights (Note 18)	(1,098,012)	864,148	(233,864)
Cost recognised during the year	(339,991)	(4,301,795)	(4,641,786)
At 30 June 2016	2,072,510	17,581,922	19,654,432

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

	Group 2016 RM	Group 2015 RM
Depreciation of equipment (Note 17)	23,554	23,274
Interest expense (Note 6)	771,520	-
Interest expense (Note 9)	6,343	1,169,537
Employees benefit expense (Note 12)	546,217	356,966

28. Inventories

	Group 2016 RM	Group 2015 RM
Cost:		
Crude palm oil	-	793,656
Palm kernel	-	278,467
Fertilisers and chemicals	211,803	936,858
Store, spares and consumable supplies	155,694	640,914
Oil palm seedlings	2,638,900	4,474,918
	3,006,397	7,124,813
Less: Attributable to discontinued operations (Note 37)	-	(2,959,403)
Allowance for impairment (Note 11)	(55,440)	-
	2,950,957	4,165,410

There were no inventories stated at net realisable value as at 30 June 2016 and 2015.

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM412,626 (2015: Nil).

29. Cash and bank balances

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Cash at banks and on hand	16,865,764	20,533,061	9,399,485	16,431,670
Deposits with licensed banks	257,709,025	16,410,801	257,709,025	15,000,000
Cash and bank balances	274,574,789	36,943,862	267,108,510	31,431,670

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 2016 for the Group were ranging from 2.60% to 4.05% (2015: 3.10% to 3.70%).

Deposits with licensed banks of the Group and of company amounting to RM6,222,397 (2015: RM7,410,801) and RM6,222,397 (2015: RM6,000,000) 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 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Cash and short term deposit:				
- Continuing operations	274,574,789	36,943,862	267,108,510	31,431,670
- Discontinuing operations	-	13,630,001	-	-
Bank overdraft	-	(4,006,234)	-	-
Deposit with licensed bank pledged to bank	(6,222,397)	(7,410,801)	(6,222,397)	(6,000,000)
Cash and cash equivalents	268,352,392	39,156,828	260,886,113	25,431,670

30. Loans and borrowings

	Maturity	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Current					
Secured:					
Obligations under finance leases (Note 39(c))	within one year	559,936	1,191,226	86,445	161,387
Bankers' acceptance	on demand	-	6,000,000	-	-
Bank overdrafts	on demand	-	4,006,234	-	-
Revolving credits	within one year	-	93,200,000	-	57,000,000
Term loans					
- Loan at COF + 1.68%	within one year	-	6,695,676	-	6,695,676
- Loan at BLR + 0.75%	within one year	-	685,484	-	-
- Loan at COF + 1.75%	within one year	-	8,000,000	-	8,000,000
- Loan at BLR + 1.0%	within one year	-	1,095,470	-	-
		559,936	120,874,090	86,445	71,857,063
Less: Attributable to discontinued operations (Note 37)		-	(35,248,138)	-	-
		559,936	85,625,952	86,445	71,857,063
Non-current					
Secured:					
Obligations under finance lease (Note 39(c))	2018 - 2021	1,100,851	1,912,970	303,407	180,201
Term loans					
- Loan at COF + 1.68%		-	30,479,017	-	30,479,017
- Loan at BLR + 0.75%		-	996,385	-	-
- Loan at COF + 1.75%		-	14,546,403	-	14,546,403
- Loan at ECOF + 1.68%		-	10,101,473	-	-
- Loan at ICOF + 1.5%		-	34,880,582	-	-
		1,100,851	92,916,830	303,407	45,205,621
Less: Attributable to discontinued operations (Note 37)		-	(46,538,825)	-	-
		1,100,851	46,378,005	303,407	45,205,621
Total loans and borrowings		1,660,787	132,003,957	389,852	117,062,684

30. Loans and borrowings (Cont'd)

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

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
On demand or within one year	559,936	85,625,952	86,445	71,857,063
More than 1 year and less than 2 years	436,183	15,225,400	91,126	14,769,877
More than 2 year and less than 5 years	664,668	27,456,269	212,281	26,739,408
5 years or more	-	3,696,336	-	3,696,336
	1,660,787	132,003,957	389,852	117,062,684

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 5.43% p.a. (2015: 5.83% p.a.). These obligations were denominated in RM.

Bankers' acceptance

In previous financial year, bankers' acceptance bears interest at Bank's COF + 1.25% p.a. and was 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.

Revolving credits

In previous financial year, revolving credits were rollovered on a monthly basis subject to bank's review and bore interests at 4.7% p.a. and were 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.

Bank loans at COF + 1.68%

In previous financial year, these loans were 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.

30. Loans and borrowings (Cont'd)

Bank loan at BLR + 0.75% p.a.

In previous financial year, this loan were 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.

In previous financial year, this loan was 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.

In previous financial year, this loan was 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.

In previous financial year, this loan was 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.

Bank loan at ICOF + 1.5% p.a.

In previous financial year, this loan bore interest at 1.5% above Islamic Cost of Fund per annum and was secured by:

(i) legal charges over certain long leasehold land, land use rights and biological assets of subsidiaries and the Company; and
(ii) corporate guarantees given by certain subsidiary companies and the Company.

31. Trade and other payables

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade payables				
Third parties	2,250,774	5,485,349	-	-
Other payables				
Amount due to subsidiaries	-	-	-	36,538,825
Progress billings	-	1,015,828	-	-
Accruals	20,548,326	3,441,005	18,998,882	805,387
Sundry payables	4,389,841	3,637,844	882,301	934,501
GST payables	25,601	851,463	-	46,262
	24,963,768	8,946,140	19,881,183	38,324,975
Total trade and other payables	27,214,542	14,431,489	19,881,183	38,324,975
Add: Loans and borrowings (Note 30)	1,660,787	132,003,957	389,852	117,062,684
Less: Progress Billing	-	(1,015,828)	-	-
GST payables	(25,601)	(851,463)	-	(46,262)
Total financial liabilities carried at amortised cost	28,849,728	144,568,155	20,271,035	155,341,397

a) **Trade payables**

Trade payables are non-interest bearing. Trade payables are normally settled on 30 day to 90 day (2015: 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 RM1,100,000 (2015: RM285,532,000) is negligible as the probability of the financial 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 which their market values upon realization are higher than the outstanding loan and borrowing amounts.

c) **Progress Billings**

	2016 RM	2015 RM
Progress billings	-	13,982,700
Less: Progress billings recognised as revenue	-	(12,966,872)
	-	1,015,828

32. Deferred tax

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

	As at 1 July 2014 RM	Exchange differences RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	Attributable to discontinued operations (Note 37) RM	As at 30 June 2015 RM	Exchange differences RM	Adjustment RM	Recognised in profit or loss (Note 14) RM	Recognised in equity RM	As at 30 June 2016 RM
Group											
Deferred tax liabilities:											
Property, plant and equipment and biological assets	24,704,529	-	840,155	-	(25,218,684)	326,000	-	212,400	(452,116)	-	86,284
Revaluation of property, plant and equipment and biological assets	68,104,897	-	(1,108,152)	995,350	(67,992,095)	-	-	6,966,058	(2,468,024)	(4,498,034)	-
Unabsorbed reinvestment allowances	-	-	(5,608)	-	(206,792)	(212,400)	-	-	212,400	-	-
	92,809,426	-	(273,605)	995,350	(93,417,571)	113,600	-	7,178,458	(2,707,740)	(4,498,034)	86,284
Deferred tax assets:											
Property, plant and equipment and biological assets	(80,367)	(14,057)	(74,500)	-	-	(168,924)	(12,126)	-	(113,365)	-	(294,415)
Inventories	(293,638)	-	144,461	-	149,177	-	-	-	-	-	-
Unabsorbed capital and agriculture allowances	(36,174)	-	(4,191)	-	-	(40,365)	-	-	17,769	-	(22,596)
	(410,179)	(14,057)	65,770	-	149,177	(209,289)	(12,126)	-	(95,596)	-	(317,011)
	92,399,247	(14,057)	(207,835)	995,350	(93,268,394)	(95,689)	(12,126)	7,178,458	(2,803,336)	(4,498,034)	(230,727)

32. Deferred tax (Cont'd)

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

	As at 1 July 2014 RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income (Note 14) RM	As at 30 June 2015 RM	Recognised in profit or loss (Note 14) RM	Recognised in equity RM	As at 30 June 2016 RM
Company							
Deferred tax liabilities:							
Property, plant and equipment and biological assets	273,945	(12,563)	-	261,382	(218,267)	-	43,115
Revaluation of property, plant and equipment and biological assets	6,922,535	(127,929)	171,452	6,966,058	(2,468,024)	(4,498,034)	-
	7,196,480	(140,492)	171,452	7,227,440	(2,686,291)	(4,498,034)	43,115

	Group 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Presented after appropriate offsetting as follows:				
Deferred tax assets	(294,416)	(168,924)	-	-
Deferred tax liabilities	63,689	73,235	43,115	7,227,440
	(230,727)	(95,689)	43,115	7,227,440

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 2016 RM	Group 2015 RM	Company 2016 RM	Company 2015 RM
Unutilised tax losses	15,898,313	7,900,611	-	-
Unabsorbed capital and agriculture allowances	322,734	183,083	12,154	-
Other deductible temporary differences	1,105,437	1,087,439	310,140	-
	17,326,484	9,171,133	322,294	-

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 has appointed an independent actuarial consulting firm to calculate the amount of estimated liabilities for post-employment benefits. Based on the actuarist's calculation, there were 46 employees (2015: 34 employees) eligible for such post-employment benefits.

The details of estimated post-employment benefit expenses for the year ended 30 June, 2016 and 2015 are as follows:

	Group	
	2016 RM	2015 RM
Current service cost	59,245	84,869
Interest cost	-	6,379
Exchange difference	10,596	2,914
Other comprehensive loss	18,811	-
Total	88,652	94,162

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 2016 and 2015 are as follows:

	Group	
	2016 RM	2015 RM
At beginning of year	146,423	52,261
Benefit expenses - current period	88,652	94,162
At end of year	235,075	146,423

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

		Group	
		2016	2015
Normal Pension Age	:	55 Years	55 years
Annual Discount Rate	:	8.0% - 8.1%	8.6%
Annual Salary Increment Rate	:	8%	8%

33. Estimated liabilities for post-employment benefits (Cont'd)

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming if all other assumptions were held constant:

		Impact on defined benefits obligation Increase/(decrease) 2016 RM	2015 RM
Discount rate	+ 1% (2015: +1%)	213	134
	- 1% (2015: -1%)	(261)	(161)
Future salary	+ 1% (2015: +1%)	261	161
	- 1% (2015: -1%)	(213)	133

34. Share capital, share premium and treasury shares

	Number of ordinary shares of RM1 each: Share capital (Issued and fully paid)	Treasury share	Amount: Share capital (Issued and fully paid) RM	Share premium RM	Total share capital and share premium RM	Treasury share RM
At 1 July 2014	222,912,569	(6,621,400)	222,912,569	17,949,950	240,862,519	(5,350,994)
Purchase of treasury shares	-	(12,000)	-	-	-	(16,080)
Transaction costs	-	-	-	-	-	(151)
At 30 June 2015	222,912,569	(6,633,400)	222,912,569	17,949,950	240,862,519	(5,367,225)
Purchase of treasury shares	-	(20,000)	-	-	-	(31,000)
Transaction costs	-	-	-	-	-	(228)
At 30 June 2016	222,912,569	(6,653,400)	222,912,569	17,949,950	240,862,519	(5,398,453)

	Number of ordinary shares of RM1 each 2016	2015	Amount 2016 RM	2015 RM
Authorised share capital				
At beginning and end of year	500,000,000	500,000,000	500,000,000	500,000,000

34. Share capital, share premium and treasury shares (Cont'd)

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 (2015: 12,000) of its issued ordinary shares from the open market at an average price of RM1.55 (2015: RM1.34) per share. The total consideration paid for the repurchase including transaction costs was RM31,228 (2015: RM16,231).

Of the total 222,912,569 (2015: 222,912,569) issued and fully paid ordinary shares as at 30 June 2016, 6,653,400 (2015: 6,633,400) are held as treasury shares by the Company. As at 30 June 2016, the number of outstanding ordinary shares in issue and fully paid is therefore 216,259,169 (2015: 216,279,169) ordinary shares of RM1 each.

35. Revaluation reserves

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
At beginning of year	20,905	335,197,600	-	45,165,000
Other comprehensive income:				
- Revaluation of property, plant and equipment and biological assets	-	(81,128,954)	-	(7,245,068)
Realised during the year	(20,905)	(2,987,750)	-	(405,967)
Attributable to discontinued operations (Note 37)	-	(251,059,991)	-	(37,513,965)
At end of year	-	20,905	-	-

The revaluation reserves represent surplus on revaluation of leasehold land and biological assets, net of deferred tax effects as disclosed 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. Discontinued operation and disposal group classified as held for sale

On 8 June 2015, the Company entered into a conditional sale and purchase agreement to dispose of the entire equity interests in Yapidmas Plantation Sdn Bhd ("YPSB"), Ladang Kluang Sdn Bhd ("LKSB"), Sri Kehuma Sdn Bhd ("SKSB"), Tanah Emas Oil Palm Processing Sdn Bhd ("TEOPP"), and a parcel of oil palm plantation belonging to the Company for a total cash consideration of RM655,000,000 (herein referred to as the "disposal group"), which were previously reported in the Sabah Plantation and Mill segment. The proposed disposal excludes the sub-leases of two estates registered in favour of YPSB. The details of the proposed disposal is disclosed in Note 4.

As at 30 June 2015, the assets and liabilities related to the disposal group have been presented in the statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale", and its results are presented separately on the statement of comprehensive income as "Profit from discontinued operation, net of tax". The disposal was completed on 14 March 2016.

Statement of financial position disclosures

The major classes of assets and liabilities of the disposal group classified as held for sale and the related asset revaluation reserve as at 30 June 2016 and 2015 are as follows:

	Group	
	2016 RM	2015 RM
Assets:		
Property, plant and equipment	-	355,127,525
Land use rights	-	18,533,267
Biological assets	-	210,710,907
Investment properties	-	173,206
Intangible assets	-	26,875,336
Inventories	-	2,959,403
Tax recoverable	-	855,274
Trade and other receivables	-	9,307,964
Other assets	-	387,066
Cash and bank balances	-	13,630,001
Assets of disposal group classified as held for sale	-	638,559,949
Liabilities:		
Trade and other payables	-	(13,244,965)
Deferred tax liabilities	-	(93,268,394)
Borrowings	-	(81,786,963)
Tax payable	-	(374,540)
Liabilities of disposal group classified as held for sale	-	(188,674,862)
Net assets directly associated with disposal group classified as held for sale	-	449,885,087
Reserve:		
Revaluation reserve	-	(251,059,991)

37. Discontinued operation and disposal group classified as held for sale (Cont'd)

__Statement of financial position disclosures (Cont'd)__

The non-current asset of the disposal group classified as held for sale on the Company's statement of financial position as at 30 June 2016 and 2015 is as follows:

	Company	
	2016 RM	2015 RM
Assets:		
Investments in subsidiaries	-	97,999,093
Property, plant and equipment	-	40,520,094
Biological assets	-	29,922,000
	-	168,441,187
Reserve:		
Revaluation reserve	-	(37,513,965)

The results of the disposal group for the years ended 30 June are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Revenue	103,326,964	152,498,134	4,960,007	8,370,388
Cost of sales	(75,259,310)	(122,320,999)	(2,079,197)	(3,979,352)
Gross profit	28,067,654	30,177,135	2,880,810	4,391,036
Interest income	8,342	19,587	-	-
Other income	692,371	1,100,590	-	-
Marketing and distribution expenses	(1,377,653)	(2,062,635)	-	-
Administrative expenses	(3,419,534)	(6,274,352)	-	(130,149)
Finance cost	(2,462,352)	(3,605,199)	(166,005)	(380,072)
Profit before tax from discontinued operation	21,508,828	19,355,126	2,714,805	3,880,815
Income tax expense	(5,175,205)	(3,874,014)	(359,351)	(407,132)
Profit from discontinued operation, net of tax	16,333,623	15,481,112	2,355,454	3,473,683

37. Discontinued operation and disposal group classified as held for sale (Cont'd)

Statement of cash flows disclosures

The cash flows attributable to the disposal group are as follows:

	Group	
	2016 RM	2015 RM
Operating	80,926,575	(28,344,498)
Investing	6,256,609	(4,031,217)
Financing	(77,084,337)	31,499,689
Net cash inflows/(outflows)	10,098,847	(876,026)

38. 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:

	2016 RM	2015 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	-	12,000
Transactions with a company in which Yap Phing Cern and Yap Fei Chien have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	179,000	226,550
- Purchase of fresh fruit bunches	60,789	134,939
- Sublease rental income	328	492
Transactions with a company in which Oh Kim Sun has financial interest:		
Agromate (M) Sdn. Bhd.		
- Purchase of fertilisers	2,181,980	3,681,824

38. Related party transactions (Cont'd)

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

	2016 RM	2015 RM
Company		
Transactions with a company in which the Yap Phing Cern and Yap Fei Chien have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	72,600	70,950
Transactions with joint venture:		
Sinermaju Sdn. Bhd.		
- Interest income on advances	-	435,011
Transactions with subsidiaries:		
Sparkle Selections Sdn. Bhd.		
- Interest income on advances	32,996	44,697
Tanah Emas Oil Palm Processing Sdn. Bhd.		
- Sale of fresh fruit bunches	4,960,007	8,370,388
- Management fee income	581,125	804,750
- Dividend income	5,858,863	5,000,000
- Interest income on advances	20,653	91,257
- Interest expense on advances	351,356	417,068
Yapidmas Plantation Sdn. Bhd.		
- Management fee income	270,325	407,450
- Plantation management fee	276,642	414,963
- Dividend income	1,166,405	5,000,000
- Interest income on advances	204,836	483,802
- Interest expense on advances	613,752	560,671
Ladang Kluang Sdn. Bhd.		
- Management fee income	99,600	148,725
- Dividend income	1,214,561	-
- Interest expense on advances	97,236	113,277
Sri Kehuma Sdn. Bhd.		
- Management fee income	132,700	199,975
- Dividend income	601,644	1,000,000
- Interest income on advances	57,092	134,849
- Interest expense on advances	63,992	102,249
Ladang Tunas Hijau Sdn. Bhd.		
- Management fee income	-	8,325
- Interest income on advances	-	1,069

38. Related party transactions (Cont'd)

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

	2016 RM	2015 RM
Company		
Tanah Emas Construction Sdn. Bhd.		
- Management fee income	63,875	65,450
- Interest income on advances	101,797	184,674
Tanah Emas Properties Sdn. Bhd.		
- Interest income on advances	714,126	630,966
- Overdue interest income	-	1,141
- Management fee income	30,275	18,150
- Sale of land for property development	1,161,352	3,076,194
Jasutera Sdn. Bhd.		
- Capital repayment	-	101,926
Winapermai Sdn. Bhd.		
- Interest income on advance	667,285	491,209
PT Ampibabo Agro Lestari		
- Interest income on advance	110,391	6,700
PT Agri Toribulu Asri		
- Interest income on advance	143,575	7,000
GL Green Resources Sdn. Bhd.		
- Interest income on advance	181,714	-

b) Compensation of key management personnel

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

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Short-term employee benefits	5,679,163	4,474,980	2,785,182	1,440,414
Included in the total key management personnel are:				
Directors' remuneration	4,420,195	3,381,047	2,089,892	828,414

39. Commitments

a) Capital commitments

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

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Capital expenditure				
Approved and contracted for:				
Investment in subsidiary companies	62,414,778	19,575,715	62,414,778	19,575,715
Obtaining land use right	20,293,828	13,660,665	20,293,828	13,660,665
	82,708,606	33,236,380	82,708,606	33,236,380
Approved but not contracted for:				
Buildings	6,814,962	-	-	-
Furniture, fittings and equipment	731,207	-	500,000	-
Heavy equipment and motor vehicles	5,419,498	1,040,000	-	-
Biological assets	54,389,275	27,308,258	-	-
	67,354,942	28,348,258	500,000	-
	150,063,548	61,584,638	83,208,606	33,236,380

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 2016 and 2015 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	
	2016 RM	2015 RM	2016 RM	2015 RM
Minimum lease payments:				
Not later than 1 year	640,381	1,336,795	103,908	173,884
Later than 1 year and not later than 2 years	485,908	877,551	103,908	80,904
Later than 2 years and not later than 5 years	700,336	1,059,887	224,688	112,200
Later than 5 years	-	134,724	-	-
Total minimum lease payments	1,826,625	3,408,957	432,504	366,988
Less: Amounts representing finance charges	(165,838)	(304,761)	(42,652)	(25,400)
Present value of minimum lease payments	1,660,787	3,104,196	389,852	341,588

39. Commitments (Cont'd)

c) Finance lease commitments (Cont'd)

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Present value of payments:				
Not later than 1 year	559,936	1,191,226	86,445	161,387
Later than 1 year and not later than 2 years	436,183	791,462	91,126	74,201
Later than 2 years and not later than 5 years	664,668	990,887	212,281	106,000
Later than 5 years	-	130,621	-	-
Present value of minimum lease payments	1,660,787	3,104,196	389,852	341,588
Less: Amount due within 12 months (Note 30)	(559,936)	(1,191,226)	(86,445)	(161,387)
Amount due after 12 months (Note 30)	1,100,851	1,912,970	303,407	180,201

40. Fair value measurement

A. Fair value hierarchy

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within level 1 that are observable, either directly or indirectly.

Transfer between level 1 and 2 fair values

There is no transfer between level 1 and level 2 fair values during the financial year.

40. Fair value measurement (Cont'd)

A. Fair value hierarchy (Cont'd)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs.

Level 3 fair values of investment properties had been generally determined based on valuations by an independent professional valuer using the comparison method by reference to recent transactions involving other similar properties in the vicinity.

Level 3 fair values of biological assets had been generally determined based on valuations by an independent professional valuer using discounted cash flows of the underlying biological assets.

Key unobservable inputs for biological assets as follows:

- Oil palm trees have an average life of 25 years.
- No new planting or replanting activities are assumed.
- Discount rate per annum of 12.57%

B. Asset and liabilities not carried at fair value but for which fair value is disclosed

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

Quantitative disclosures fair value measurement hierarchy for assets/(liabilities) as at 30 June 2016:

		Fair value measurement using	
	Total RM	Significant observable inputs (Level 2) RM	Significant unobservable inputs (Level 3) RM
Group			
Asset for which fair values are disclosed:			
Investment properties (Note 20)	64,500,000	-	64,500,000
Liabilities for which fair values are disclosed :			
Loans and borrowings			
- Obligations under finance leases	(952,679)	(952,679)	-
Assets measured at fair value:			
Revalued property, plant and equipment			
- Biological assets (Note 19)	17,509,114	-	17,509,114
Company			
Liabilities for which fair values are disclosed :			
Loans and borrowings			
- Obligations under finance leases	(258,946)	(258,946)	-

40. Fair value measurement (Cont'd)

B. Asset and liabilities not carried at fair value but for which fair value is disclosed (Cont'd)

The following table provides the fair values measurement hierarchy of the Group's and the Company's assets and liabilities: (Cont'd)

Quantitative disclosures fair value measurement hierarchy for assets/(liabilities) as at 30 June 2015:

		Fair value measurement using	
	Total RM	Significant observable inputs (Level 2) RM	Significant unobservable inputs (Level 3) RM
Group			
Asset for which fair values are disclosed:			
Investment properties (Note 20)	64,500,000	-	64,500,000
Liabilities for which fair values are disclosed :			
Loans and borrowings			
- Obligations under finance leases	(1,116,023)	(1,116,023)	-
Assets measured at fair value:			
Revalued property, plant and equipment			
- Biological assets (Note 19)	16,862,127	-	16,862,127
Company			
Liabilities for which fair values are disclosed :			
Loans and borrowings			
- Obligations under finance leases	(148,625)	(148,625)	-

41. 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:

		Group		Company	
	Note	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
2016					
Financial liabilities:					
Loans and borrowings (non-current) - Obligations under finance leases	30	1,100,851	952,679	303,407	258,946

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

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:

		Group		Company	
	Note	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
2015					
Financial liabilities:					
Loans and borrowings (non-current)					
- Obligations under finance leases	30	1,912,970	1,116,023	180,201	148,625

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:

<u>Finance lease obligations and fixed rate bank loans</u>

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.

<u>Financial guarantees</u>

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.

42. 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.

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

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.

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 RM1,100,000 (2015: RM285,532,000) relating to corporate guarantees provided by the Company to the banks to secure banking/credit facilities granted to its subsidiaries.

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			
	2016		2015	
	RM	% of total	RM	% of total
By industry sectors:				
Others (Note 25)	2,248,674	49%	2,078,822	53%

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.

42. 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 34% (2015: 65%) of the Group's loans and borrowings and approximately 22% (2015: 61%) 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 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				
2016				
Financial liabilities:				
Trade and other payables	27,188,941	-	-	27,188,941
Loans and borrowings	640,381	1,186,244	-	1,826,625
Total undiscounted financial liabilities	27,829,322	1,186,244	-	29,015,566
2015				
Financial liabilities:				
Trade and other payables	12,564,198	-	-	12,564,198
Loans and borrowings	89,482,533	48,188,643	3,932,893	141,604,069
Total undiscounted financial liabilities	102,046,731	48,188,643	3,932,893	154,168,267

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

b) Liquidity risk (Cont'd)

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

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Company				
2016				
Financial liabilities:				
Trade and other payables	19,881,183	-	-	19,881,183
Loans and borrowings	103,908	328,596	-	432,504
Total undiscounted financial liabilities	19,985,091	328,596	-	20,313,687
2015				
Financial liabilities:				
Trade and other payables	38,278,713	-	-	38,278,713
Loans and borrowings	75,554,026	46,906,129	3,932,894	126,393,049
Total undiscounted financial liabilities	113,832,739	46,906,129	3,932,894	164,671,762

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.

<u>Sensitivity analysis for interest rate risk</u>

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 RM55,592 (2015: RM320,587) 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.

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, IDR and SGD) amounted to RM27,960, RM5,929,532 and RM12,436 respectively. (2015: RM19,658 and RM1,692,820 and Nil).

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

d) Foreign currency risk (Cont'd)

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 functional currency of the Group, with all other variables held constant.

	2016 RM	2015 RM
Profit net of tax		
USD/RM - strengthened 5%	1,398	983
- weakened 5%	(1,398)	(983)
IDR/RM - strengthened 5%	296,469	84,641
- weakened 5%	(296,469)	(84,641)
SGD/RM - strengthened 5%	622	-
- weakened 5%	(622)	-

43. 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 2016 and 30 June 2015.

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 1 time or 100%. The calculations of the Group's and Company's gearing ratios are as follows:

	Group		Company	
	2016 RM	2015 RM	2016 RM	2015 RM
Trade and other payables (Note 31)	27,214,542	14,431,489	19,881,183	38,324,975
Loans and borrowings (Note 30)	1,660,787	132,003,957	389,852	117,062,684
Less: Cash and bank balances (Note 29)	(274,574,789)	(36,943,862)	(267,108,510)	(31,431,670)
(Net cash)/net debt	(245,699,460)	109,491,584	(246,837,475)	123,955,989
Equity attributable to the owners of the parent	614,580,294	561,782,726	644,629,464	259,915,020
Capital and net debt	368,880,834	671,274,310	397,791,989	383,871,009
Gearing ratio	Nil	16%	Nil	32%

44. 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 Sabah plantations and mill segment is in the business of cultivation of oil palm, processing of crude palm oil and palm kernel. This segment has been classified as discontinued operations during the financial year (Note 37).

(ii) The Indonesian plantations segment is in the business of cultivation of oil palm in Indonesia.

(iii) The property development segment is in the business of property developer.

(iv) The other segments is in the business of property holding, provision of general construction and civil works.

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.

44. Segment information (Cont'd)

	Sabah plantation and mill (Discontinued)		Indonesian plantation		Property development		Others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM	2016 RM	2015 RM		2016 RM	2015 RM
Revenue:													
External customers	103,326,964	152,498,134	-	-	6,907,887	12,966,872	1,973,333	-	(103,326,964)	(152,498,134)	(a)	8,881,220	12,966,872
Inter-segment	-	-	-	-	-	-	10,019,373	12,652,825	(10,019,373)	(12,652,825)	(b)	-	-
Total revenue	103,326,964	152,498,134	-	-	6,907,887	12,966,872	11,992,706	12,652,825	(113,346,337)	(165,150,959)		8,881,220	12,966,872
Results:													
Interest income	-	19,587	31,106	10,910	-	-	5,897,460	642,057	-	(19,587)	(a)	5,928,566	652,967
Depreciation and amortisation	-	10,659,242	332,322	1,004,809	9,746	4,909	2,134,707	308,732	-	(10,659,242)	(a)	2,476,775	1,318,450
Other non-cash expenses	4,148	372,027	14,108,282	-	-	-	4,804,058	1,132,989	(4,148)	(372,027)	(c)	18,912,340	1,132,989
Segment profit/(loss)	21,508,828	19,355,126	(19,100,463)	(3,383,025)	1,600,026	4,347,594	97,319,302	(5,416,769)	(24,049,564)	(24,933,659)	(d)	77,278,129	(10,030,733)
Assets:													
Additions to non-current assets	-	6,755,616	16,495,350	17,040,126	109,488	13,936	648,537	2,047,188	-	-	(e)	17,253,375	25,856,866
Segment assets	-	638,559,949	83,822,002	72,807,110	36,537,469	36,497,562	517,851,781	145,366,642	4,232,370	3,729,496	(f)	642,443,622	896,960,759
Liabilities:													
Segment liabilities	-	106,887,899	2,714,327	4,049,651	3,654,556	7,572,873	21,080,734	2,955,388	1,724,476	213,977,523	(g)	29,174,093	335,443,334

44. Segment information (Cont'd)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

(a) The amount relating to the Sabah plantation and mill segment have been excluded to arrive at amounts shown in the consolidated statement of comprehensive income as they are presented separately in the statement of comprehensive income within one line item, "profit from discontinued operation, net of tax".

(b) Inter-segment revenues are eliminated on consolidation.

(c) Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	2016 RM	2015 RM
Impairment loss on biological assets	13,475,856	-
Loss on fair value of financial assets	4,691,434	1,003,745
Allowance for impairment on trade receivables	-	108,784
Bad debts written off	51,579	-
Loss on disposal of property, plant and equipment	4,850	-
Plant and equipment scrapped	755	2,615
Inventories written off	632,426	17,845
Impairment on inventories	55,440	-
	18,912,340	1,132,989

(d) The following items are deducted from segment profit to arrive at "Profit before tax from continuing operations" presented in the consolidated income statement:

	2016 RM	2015 RM
Finance costs	3,624,296	5,624,195
Segment results of discontinued operation	21,508,828	19,355,126
Share of results of joint venture and associate	(1,083,560)	(45,662)
	24,049,564	24,933,659

(e) Additions to non-current assets consist of:

	2016 RM	2015 RM
Property, plant and equipment	3,300,888	15,968,454
Biological assets	13,215,239	9,722,505
Land use rights	737,248	165,907
	17,253,375	25,856,866

44. Segment information (Cont'd)

(f) The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2016 RM	2015 RM
Deferred tax assets	294,416	168,924
Tax recoverable	716,284	301,516
Inter-segment assets	3,221,670	3,259,056
	4,232,370	3,729,496

(g) The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2016 RM	2015 RM
Deferred tax liabilities	63,689	73,235
Income tax payable	-	113,368
Loans and borrowings (including discontinued operation)	1,660,787	213,790,920
	1,724,476	213,977,523

45. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2016 were authorised for issue in accordance with a resolution of the directors on 6 October 2016.

46. 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 2016 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.

	2016		2015	
	Group RM	Company RM	Group RM	Company RM
Total retained earnings/(accumulated losses) of the Company and its subsidiaries				
- Realised	378,141,851	397,216,832	206,864,909	(18,050,785)
- Unrealised	(5,855,204)	11,948,566	(94,652,137)	4,956,456
	372,286,647	409,165,398	112,212,772	(13,094,239)
Less: Consolidation adjustments	1,046,921	-	(36,403,324)	-
Retained earnings/(accumulated losses) as per financial statements	373,333,568	409,165,398	75,809,448	(13,094,239)

LIST OF PROPERTIES

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Net Book Value As At 30 June 2016 RM'000	Date of revaluation/ acquisition
ESTATES/PLANTATION LAND							
GL Green Resources Sdn Bhd	Kuamut, District of Tongod, Sabah	Vacant land/Under Development	338.548	30 years expiring 2037 to 2042	N/A	7,995	29.07.2015
PT Tasnida Agro Lestari	Kabaputen Bario Kuala, South Kalimantan Province	Cultivated with oil palm	8,157.960	35 years expiring 2048	N/A	39,278	23.07.2013
INDUSTRIAL LAND / BUILDING							
Tanah Emas Construction Sdn Bhd	Mile 12, Seguntor, Sandakan, Sabah	Vacant land	9.363	99 years expiring 2078	N/A	1,109	19.09.2001
COMMERCIAL & RESIDENTIAL LAND / BUILDING							
Golden Land Berhad	A-09-3A, A-09-05 & A-09-06, Empire Subang, Jln SS16/1, Subang Jaya, Daerah Petaling, Selangor	Office	4,003 sq.ft.	Freehold	7 years	1,806	01.10.2009
	1st, 2nd & 3rd Floor, Lot 6, Blk B, Bandar Kim Fung, Sandakan (CL07530697)	Shophouse	3,600 sq.ft.	900 years lease expiring 01.03.2882	34 years	594	30.06.2015
	TL077541916, Mile 3 1/2, Jalan Utara,Sandakan, Sabah	Commercial land	0.323	60 years expiring 2014	N/A	678	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	Commercial Land	1.453 ha	Freehold	N/A	11,062	10.12.2008

ANALYSIS OF SHAREHOLDINGS
AS AT 30 SEPTEMBER 2016

Authorised share capital	:	RM125,000,000 (including treasury shares of 6,653,400)
Issued and fully paid shares	:	RM55,728,142
Class of shares	:	Ordinary shares of RM0.25 each
Voting rights	:	One (1) vote per ordinary share on a poll

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	% of Total Shareholders	No. of Shareholdings	% of Shareholdings
1 to 99	185	3.93	8,430	0.00
100 to 1,000	1,283	27.29	1,169,120	0.54
1,001 to 10,000	2,408	51.20	10,744,845	4.97
10,001 to 100,000	723	15.38	21,377,420	9.89
100,001 to 10,812,957*	99	2.11	85,838,543	39.69
10,812,958 and above**	4	0.09	97,120,811	44.91
Total	**4,702**	**100.00**	**216,259,169**	**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	22.47
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	14,965,320	6.92
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	2.72
8.	Syarikat Kuari Sinaran Cemerlang Sendirian Berhad	4,335,800	2.00
9.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kok Pin @ Kok Khong	4,095,300	1.89
10.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Ho Peng	3,396,700	1.57

ANALYSIS OF SHAREHOLDINGS
(CONT'D)
AS AT 30 SEPTEMBER 2016

LIST OF THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name	No. of Shares Held	%
11.	Noble Fairview Sdn Bhd	3,157,400	1.46
12.	RHB Nominees (Asing) Sdn Bhd Exempt An (BP) for RHB Securities Hong Kong Limited A/C Clients	3,152,900	1.46
13.	Sri Mosta Sdn Bhd	3,040,900	1.41
14.	Michael Law Kiung Nguong	2,512,800	1.16
15.	Wawasan Elemen Sdn Bhd	2,019,600	0.93
16.	Lee Foot Yin	2,003,038	0.93
17.	Kumpulan Wang Simpanan Guru-Guru	1,900,000	0.88
18.	Kumpulan Wang Simpanan Guru-Guru	1,900,000	0.88
19.	Lau Kueng Suong	1,896,200	0.88
20.	Kumpulan Wang Simpanan Guru-Guru	1,586,000	0.73
21.	Amsec Nominees (Asing) Sdn Bhd DBS Vickers Secs (S) Pte Ltd for Lim Kien Jhee	1,511,200	0.70
22.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/R – NR)	1,177,400	0.54
23.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong King Seng	1,136,600	0.53
24.	Tang Liong Choy	1,067,000	0.49
25.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chia Hong @ Gan Chia Hong	1,047,900	0.48
26.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong King Seng	1,000,000	0.46
27.	Sri Mosta Sdn Bhd	954,172	0.44
28.	Goh Poh Teen	830,000	0.38
29.	Er Ka Wei	722,000	0.33
30.	Lim Soon Guan	700,000	0.32

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 6,653,400 GLBHD shares bought back by the Company and retained as treasury shares.

ANALYSIS OF SHAREHOLDINGS
(CONT'D)
AS AT 30 SEPTEMBER 2016

SUBSTANTIAL SHAREHOLDERS

	No. of Shares Held			
Name	**Direct Interest**	**%**	**Deemed Interest**	**%**
Agromate Holdings Sdn Bhd	54,460,700	25.18	-	-
Yap Phing Cern*	58,531,711	27.07	3,995,072	1.85
Oh Kim Sun**	-	-	54,460,700	25.18
Total	112,992,411	52.25	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*	58,531,711	27.07	3,995,072	1.85
Yap Fei Chien	346,000	0.16	-	-
Beh Sui Loon	-	-	-	-
Oh Kim Sun**	-	-	54,460,700	25.18
Tan Teck Kiong	-	-	-	-

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 TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second Annual General Meeting of the Company will be held at Langkayan Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah, on Tuesday, 22 November 2016 at 10.00 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 2016 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note B)*

2. To approve the payment of Directors' Fees for the year ended 30 June 2016. *(Ordinary Resolution 1)*

3. To re-elect Mr Yap Phing Cern, who is retiring in accordance with Article 124 of the Company's Articles of Association, and who is being eligible, offer himself for re-election. *(Ordinary Resolution 2)*

4. To re-elect Mr Tan Teck Kiong, who is retiring in accordance with Article 127 of the Company's Articles of Association, and who is being eligible, offer himself for re-election. *(Ordinary Resolution 3)*

5. To appoint Auditors and to authorise the Directors to fix their remuneration.

   Notice of Nomination pursuant to section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs BDO for appointment as Auditors and of the intention to move the following motion to be passed as an ordinary resolution:-

   "THAT Messrs BDO be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Ernst & Young and to hold office until the conclusion of the next AGM and THAT the Directors be authorised to fix their remuneration." *(Ordinary Resolution 4)*

AS SPECIAL BUSINESS

To consider and if thought fit to pass the following Ordinary Resolutions:-

ORDINARY RESOLUTIONS

6. **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 5)*

7. **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 28 October 2016 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 Twenty-Second 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 Twenty-Third 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 6)*

8. **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 RM0.25 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 2016, the retained profits and share premium accounts (at Company level) were RM409,165,398 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 7)*

BY ORDER OF THE BOARD

VOO YIN LING (MAICSA 7016194)
CHAI CHOONG WAH (MIA 14847)
Company Secretaries

Date : 28 October 2016
Sabah

NOTES:-

A) APPOINTMENT OF PROXY

1. A member of the Company entitled to attend and vote at the meeting 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. Any alteration made in this form should be initialed by the person who signs it.

5. 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.

6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or if the appointor is a corporation, either under the hand of its common seal or under the hand of an officer or attorney duly authorized. The instrument appointing the proxy shall be deemed to confer authority to demand or join in demanding a poll.

7. The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 16 November 2016.

B) AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

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. 5, 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 Twenty-First AGM held on 18 November 2015 and which will lapse at the conclusion of the Twenty-Second AGM.

2. ORDINARY RESOLUTION
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Ordinary Resolution No. 6, 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 2016.

3. ORDINARY RESOLUTION
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR PROPOSED SHARE BUY-BACK AUTHORITY

The Ordinary Resolution No. 7, 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 28 October 2016, which is sent out together with the Company's Annual Report 2016.

ANNEXURE "A"

Date: 27 September 2016

THAM KAI LING
Batu 7, Jalan Airport
P.O. Box 1119
90712 Sandakan
Sabah

The Board of Directors
GOLDEN LAND BERHAD
(Company No.: 298367-A)
A-09-03, Empire Tower
Empire Subang
Jalan SS16/1
47500 Subang Jaya
Selangor

Dear Sirs,

NOTICE OF NOMINATION OF MESSRS BDO

Pursuant to Section 172(11) if the Companies Act, 1965, I, being the shareholder of Golden Land Berhad ("GLBHD"), hereby give notice pursuant of my intention to nominate Messrs BDO for appointment as Auditors of GLBHD in place of the retiring Auditors, Messrs Ernst & Young and propose the following resolution as an Ordinary Resolution to be tabled at the Annual General Meeting to be convened by GLBHD:-

"**THAT** Messrs BDO be and are hereby appointed as Auditors of the Company in place of retiring Auditors, Messrs Ernst & Young and to hold office until the conclusion of the next Annual General Meeting AND THAT the Directors be authorised to fix their remuneration."

Yours faithfully,

THAM KAI LING

STATEMENT ACCOMPANYING NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

ELECTION OF DIRECTOR

The details of the following Director retiring pursuant to Article 127 of the Company's Articles of Association and seeking re-election is set out on page 11 of the Annual Report:-

a) Mr Tan Teck Kiong

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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 Twenty-Second Annual General Meeting of the Company to be held at Langkayan Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah on Tuesday, 22 November 2016 at 10.00 a.m. and at any adjournment thereof.

The proportions of my/our shareholding to be represented by my/our proxy(ies) are as follows:

First named Proxy	________	%
Second named Proxy	________	%
	100	%

My/our proxy is to vote as indicated below:-

NO.	RESOLUTIONS		FOR	AGAINST
1.	To approve the Payment of Directors' Fees for the year ended 30 June 2016.	Ordinary Resolution 1		
2.	To re-elect Director – Mr Yap Phing Cern, who retires pursuant to Article 124 of the Company's Articles of Association.	Ordinary Resolution 2		
3.	To re-elect Mr Tan Teck Kiong, who is retiring in accordance with Article 127 of the Company's Articles of Association, and who is being eligible, offer himself for re-election.	Ordinary Resolution 3		
4.	To appoint Auditors and to authorise the Directors to fix their remuneration. Notice of Nomination pursuant to section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs BDO for appointment as Auditors and of the intention to move the following motion to be passed as an ordinary resolution:- "THAT Messrs BDO be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Ernst & Young and to hold office until the conclusion of the next AGM and THAT the Directors be authorised to fix their remuneration."	Ordinary Resolution 4		
5.	Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.	Ordinary Resolution 5		
6.	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 6		
7.	To approve the Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back Authority.	Ordinary Resolution 7		

(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 .... 2016.

....
Signature of Shareholder(s)/Common Seal

Notes:-

1. *A member of the Company entitled to attend and vote at the meeting 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. *Any alteration made in this form should be initialled by the person who signs it.*
5. *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.*
6. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under the hand of its common seal or under the hand of an officer or attorney duly authorised. The instrument appointing the proxy shall be deemed to confer authority to demand or join in demanding a poll.*
7. *The Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 16 November 2016.*

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.

Then fold here

1st fold here

GOLDEN LAND BERHAD
Incorporated in Malaysia (298367-A)

A-09-03, Empire Tower,
Empire Subang, Jalan SS16/1,
47500 Subang Jaya, Selangor.

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