GOLDEN LAND BERHAD

Incorporated In Malaysia (298367-A)

ANNUAL REPORT 2017

Contents

Corporate Structure & Principal Activities 2017

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

Lim Saw Imm
- Independent Non-Executive Director
  Appointed on 31 March 2017

Tang Weihann
- Alternate Director to Oh Kim Sun
  Appointed on 23 January 2017

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

Lim Saw Imm
- Independent Non-Executive Director
  Appointed on 31 March 2017

NOMINATION COMMITTEE

Beh Sui Loon
- Chairman/Independent Non-Executive Director

Tan Teck Kiong
- Independent Non-Executive Director

Lim Saw Imm
- Independent Non-Executive Director
  Appointed on 31 March 2017

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)

REGISTRAR

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

HEAD OFFICE

A-09-03, Empire Tower
Empire Subang
Jalan SS16/1
47500 Subang Jaya
Selangor
Tel: 03-5611 8844
Fax: 03-5611 8600

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

BDO
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel: 03-2616 2888
Fax: 03-2616 3190

PRINCIPAL BANKERS

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

Management's Discussion and Analysis

For Financial Year Ended 30 June 2017

GOLDEN GATEWAY

OVERVIEW OF GROUP BUSINESS AND OPERATIONS

GLB Group's core business is oil palm cultivation and production of fresh fruit brunches. The Group has a total Location Permit ("Izin Lokasi") of 73,205 hectares located in the provinces of East and South Kalimantan and Sulawesi in the Republic of Indonesia. Up until 2017, the Group had obtained certificates of Land Use Rights ("Hak Guna Usaha") of 10,347 hectares. Together with the 218 hectares of plantation land owned by the Group in Sabah, Malaysia. The Group's total planted area is approximately 3,116 hectares at the end of financial year 2017.

Apart from the plantation division, GLB Group has also made inroads into property development business. Through its wholly owned-subsidiary Tanah Emas Properties Sdn Bhd, the Group in September 2016 completed its first property development project in Sandakan. Comprising a total of 43 commercial shop lots, the project named MidTown Plaza has a gross development value of RM52 million. In the following month on 28 October, Sparkle Selections Sdn Bhd has officially changed its principal activity to property development.

In the same financial year, the Group has begun planning on its next development project called Golden Gateway which is strategically located adjacent to the fast growing Batu Kawan island of Penang. Golden Gateway is sited on a piece of land measuring 21 acres acquired by Sparkle Selections Sdn Bhd ("SSSB"), a wholly-owned subsidiary of GLB on 21 February 2008. Golden Gateway comprises 54 units of one of its kind 3-storey light medium industrial buildings. The light and medium industry buildings are designed as "4-in-1" integrated business solution for various operation requirements. Together with the easy access to the sea and air freight ports, the management strongly believes that these limited 54 industrial units will receive a good market response.

Concurrently, the Group is also in the midst of preparing another development project at Setia Alam in the state of Selangor by the name of Golden Senses. Golden Senses will consist of approximately 500 units of affordable serviced apartments to be developed on a freehold land measuring 3.59 acre. It is presently still in the planning and design stage and expected to commence construction in the financial year 2019.

In addition to the aforementioned undertakings, the Group has also entered into two separate joint venture arrangements with the local partners in Kota Kinabalu, Sabah. The joint venture project is to develop affordable residential units on a 14-acre land in the District of Putatan, and rehabilitate and upgrade the existing 14 blocks of 4-storey shops of Sinsuran Complex in return for the rights to develop 2 parcels of land within the said complex. As of now, both projects are still pending approval of development order from the local authorities.

Management's Discussion and Analysis

For Financial Year Ended 30 June 2017 (cont'd)

While the Group's Indonesia plantation is still in development and immature stages, the Group expects the property development business to be the primary driver of financial performance for the coming years.

KEY FINANCIAL INDICATORS

The following review is to highlight and provide insights on the Group's Key financial and operating information.

	2017 RM'000	2016 RM'000
Revenue	4,260	112,208
Profit before interest & taxation	1,733	104,873
Profit before taxation	1,668	98,787
Net profit	1,430	69,017
Net profit attributable to equity holders	2,630	70,077
Return on average equity	0.46%	11.31%
Net cash used in operations	(46,156)	(44,577)
Net gearing (net of cash)	(30.48%)	(42.25%)
Total Shareholder's fund	493,044	645,971

Segmental contributions to Operating Profit

	2017 RM'000	2016 RM'000
Plantation – Indonesia	791	(19,100)
Plantation – Malaysia (Continuing)	(282)	(233)
Plantation and mill – Sabah (Discontinued)	-	21,508
Property Development & Construction	858	1,600
Other Segment	4,144	97,552
Segment profit	5,511	101,327
Adjustments:		
Share of results of joint venture	(3,778)	1,084
Finance cost	(65)	(3,624)
Net profit before taxation	1,668	98,787

Performance Analysis at Group Level

In the preceding year, the Group successfully completed the disposal of four plantation subsidiaries and a piece of plantation land owned by GLB. As a result of the disposal, the Group's remaining operating units posted lower revenue, net profit and return on average equity in comparison to the preceding year.

The plantation segment recorded a profit mainly due to reversal of impairment on biological assets recognised in the preceding year. The increase of the market value for the Group's plantation lands resulted in the reversal of impairment on biological assets.

With regards to the property development segment, lower profit was attributed to lower sales of MidTown Plaza in line with dampened market demand in Sandakan area. Other segments recorded a lower profit, mainly due to non-recurrence of one-off gain on disposal of subsidiaries in the preceding year.

Equity and External borrowings Movement

	2017 RM'000	2016 RM'000
Shareholders' equity at beginning	645,971	561,783
Prior year adjustment	-	31,390
Other comprehensive income attributable to owners of the Company	6,916	6,369
Purchase of treasury shares	(278)	(31)
Capital repayment	(162,194)	-
Reversal of deferred tax	-	4,498
Dividend on ordinary shares	-	(28,115)
Net profit for the year	2,630	70,077
Shareholders' equity at ending	**493,045**	**645,971**
Total borrowings at beginning	1,661	213,791
Drawdown during the year	175	15,360
Repayment during the year	(1,297)	(227,490)
Total borrowings at ending	**539**	**1,661**

The Group completed a capital repayment of RM0.75 per share on 12 July 2016, leading to a reduction of the ordinary share value to RM0.25 per share and lower shareholder's equity at the end of the financial year. Borrowing at the end of the financial year represents hire purchase facilities.

Management's Discussion and Analysis

For Financial Year Ended 30 June 2017 (cont'd)

BUSINESS REVIEW

Plantation Segment

Oil palm cultivation has always been and remains the Group's core business. We recognize the importance of good agricultural practices and long-term sustainability.

The Group's Location Permit land bank covers an area of 73,205 hectares, of which the estimated total arable area measures approximately 26,000 hectares. A total of 10,347 hectares already obtained the HGU certificates. The remaining arable lands are in the process of applying for HGU certificates. Currently the Group has an estimated 3,116 hectares of immature palms in Indonesia and Malaysia. The Group aims to plant more than 13,000 hectares by the end of financial year 2020.

Indeed, quality planting materials are the essential building blocks for sustainable yield. Toward this end careful selection of suitable planting materials, stringent culling, best nursery upkeep and field planting practices shall be strictly enforced and monitored throughout the planting phase.

The Group believes that quality human resource management is the pivotal part of the plantation business. Initiatives such as Audit, Training and Advisory System was established to ensure all aspects of plantation operation are in compliance with Standard Operating Procedures, bridging the competency gaps of the plantation management team and promoting good agriculture practices.

Another initiative was the setting up of the Risk Mitigation & Compliance Monitoring Framework (RMCM) to manage and mitigate the risks associated with the industry and country the Group operates in the and to ensure compliance of the Group's policies and the prevailing laws of the local authorities. The Framework enables senior management, operational managers and employees to understand and effectively manage risks and to promote the awareness of the importance to comply with company policies and prevailing laws and regulations.

	2017 (Hectares)	2016 (Hectares)
Sabah		
Mature	-	-
Immature	218	50
Indonesia		
Mature	-	-
Immature	2,898	2,727
Total Planted		
Mature	-	-
Immature	3,116	2,777

BUSINESS REVIEW

Property Segment

The Group's newly formed property division is headed by an experienced property development Chief Operating Officer.

The division undertook a branding exercise in this financial year to establish its core values and operating principles. The essence of the core values and operating principles can be summarised with the acronym C.A.R.E., reflecting a strong sense of commitment and quality assurance to all stakeholders.

C – **C**ommitted to Quality and Services
A – **A**ttentive to Details
R – **R**eliable to the Community
E – **E**ngaging to Everyone

The core values and the operating principles also served to differentiate the property division's products and services and fostering strong customer relationship.

The Group has planned to launch the Freehold Light & Medium Industrial Project (Golden Gateway) in the second half of year 2017, with an estimated gross development value of RM156.6 million.

Management's Discussion and Analysis

For Financial Year Ended 30 June 2017 (cont'd)

Concurrently, the Golden Senses Project in Setia Alam and Putatan projects in Sabah are expected to be launched in the subsequent years upon obtaining all relevant authority approvals.

To ensure continuity of the property development business, the Management is also actively looking out for potential strategic land banks via acquisition or joint venture agreements.

OUTLOOK AND PROSPECT

Plantation Segment

With the target planted immature and mature plantation by year 2020, plantation business is expected to contribute positively to the Group's revenue thereafter.

The prospects of the Group's oil palm business are linked to, amongst others, the increasing demand for food and biodiesel, growth of the major world economies such as China and India, weather patterns and availability of labour. The Group is opined that the prospect for the oil palm industry will be satisfactory in the years to come.

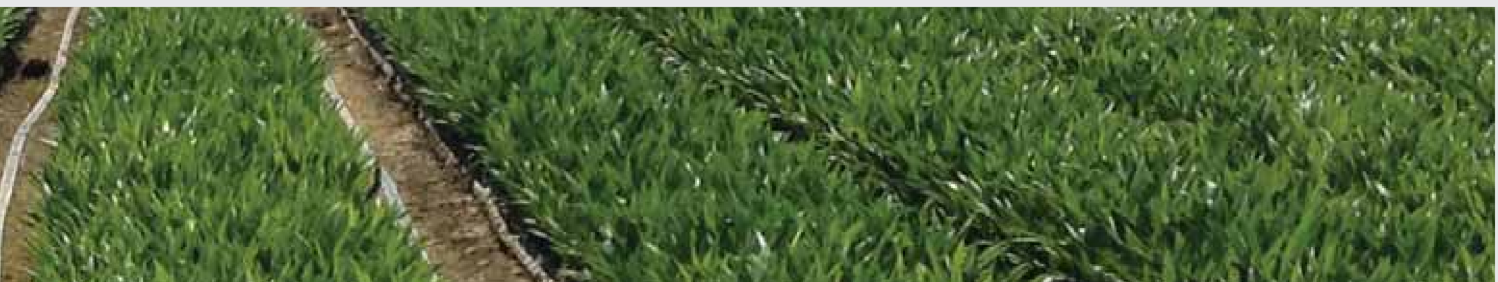
Property Segment

Malaysia property market is expected to remain slow in the financial year 2018. With right products and locations, the Group is confident that the property business will perform resiliently in the coming financial year.

DIVIDEND

The Board of Directors of GLB has approved a dividend payout policy of not less than 20% of its consolidated profit after tax for the financial year ending 30 June 2017 onwards. However, such payments will depend upon a number of factors, including amongst others, the earnings, capital commitments, general financial conditions, distributable reserves and other factors to be considered.

This statement is made in accordance with a resolution of the Board of Directors passed on 25 September 2017.



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 economic and social development as well as the environment. The statements herein 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 ensures we walk the talk and 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 divisions report directly to the Board’s 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 management and business continuity programs allow us to respond quickly to disruptions or threats and minimize impact to our employees, community and business.

Corporate Social Responsibility (cont'd)

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 unethical behavior among our employees.

Our Plan

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 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 or near the prime of their professional lives, 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, inculcate a 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 at Board level.

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 growth 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.

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 relevant standard operating procedures. On top of that, employees are given regular training and briefing with regards to health and safety matters.

Our Plan

To create the most innovative experience for employees, we ask our people what matters most, and consider 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.

Corporate Social Responsibility (cont'd)

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 and improve people's lives.

Worldwide, companies 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 unemployed, unable to participate in the global economy 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 areas.
- Healthcare: To improve access to healthcare in remote regions such as by building a small hospital or clinic.
- Critical Human Needs and Disaster Response: Help to improve access to food, clean water, and shelter and supporting communities affected by disasters.

<u>Charity Contributions</u>

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.

<u>Our Plan</u>

We will continue to provide financial support in education, economic empowerment, and healthcare especially to Indonesia for local communities. We remain committed to reaching out to the underprivileged and making a positive impact in the community. Apart from donations, moving forward, we will also contribute in-kind to the local communities such as by providing employment opportunities, building hospitals and schools.

D. Our Environmental

Corporate social responsibility considerations form an integral part of our business operations. Some of the measures undertaken with regard to preserving the environment include enforcing necessary precautions at all developments and workplaces, in order to minimize our 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

<u>Our Plan</u>

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

Profile of the Board of Directors

BEH SUI LOON

Independent Non-Executive Chairman

Mr Beh Sui Loon (Malaysian, age 54) joined the Board of GLBHD on 11 May 2009. He also serves GLBHD as the Chairman of the Board, Audit Committee and Nomination Committee and a member of the Remuneration Committee.

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

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

He has no family relationship with any other directors or major shareholders of the Company. There is no conflict of interest with the Company. Within the past 5 years, he has no conviction for offences.

He has attended all the six Board of Directors' meetings held during the financial year ended 30 June 2017 during his tenure of office.

YAP PHING CERN

Chief Executive Officer

Mr Yap Phing Cern (Malaysian, age 54) joined the Board of GLBHD as an Executive Director on 26 December 2001 and was appointed as the Managing Director on 14 November 2002. On 7 May 2004, he has been redesignated as Chief Executive Officer.

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

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

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

He is a substantial shareholder of GLBHD. He is the 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 page 109 to 111 of this Annual Report. Within the past 5 years, he has no conviction for offences.

He has attended all the six Board of Directors' meetings held during the financial year ended 30 June 2017 during his tenure of office.

YAP FEI CHIEN

Executive Director

Ms Yap Fei Chien (Malaysian, age 47) 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 page 109 to 111 of this Annual Report. Within the past 5 years, she has no convictions for offences.

She has attended all the six Board of Directors' meetings held during the financial year ended 30 June 2017 during her tenure of office.

Profile of the Board of Directors (cont'd)

OH KIM SUN

Non-Independent Non-Executive Director

Mr Oh Kim Sun (Malaysian, age 69) joined the Board of GLBHD on 28 July 2011. He also serves GLBHD as a member of the Audit Committee.

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

He has more than 40 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 8 of the Companies Act, 2016.

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 109 of this Annual Report. Within the past 5 years, he has no conviction for offences.

He has attended five out of the six Board of Directors' meetings held during the financial year ended 30 June 2017 during his tenure of office.

TAN TECK KIONG

Independent Non-Executive Director

Mr Tan Teck Kiong (Malaysian, age 59) 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 past 5 years, he has no conviction for offences.

He has attended four Board of Directors' meetings held during the financial year ended 30 June 2017 during his tenure of office as he was appointed on 13 October 2016.

Profile of the Board of Directors (cont'd)

LIM SAW IMM

Independent Non-Executive Director

Ms Lim Saw Imm (Malaysian, age 61) joined the Board of GLBHD on 31 March 2017. She also serves GLBHD as a member of the Audit Committee and Nomination Committee.

Ms Lim is a fellow of the Association of Chartered Certified Accountants, and a member of the Chartered Tax Institute of Malaysian and the Malaysian Institute of Accountants

Ms Lim has been with a leading accounting firm for more than 34 years with 18 years as a corporate tax partner. During her tenure with the firm, amongst her other responsibilities include overseeing its corporate services outsourcing division and assuming the role of Tax Risk Management Partner.

She has no family relationship with any other directors or substantial shareholders of the Company. There is no conflict of interest with the Company. Within the past 5 years, she has no conviction for offences.

She has attended only one Board of Directors' meeting held during the financial year ended 30 June 2017 as she was appointed on 31 March 2017.

TANG WEIHANN

ALTERNATE TO MR OH KIM SUN

Non-Independent Non-Executive Director

Mr Tang Weihann (Malaysian, age 31) joined the Board of GLBHD as an Alternate Director to Mr Oh Kim Sun on 23 January 2017.

He is a member of the Malaysian Institute of Certified Public Accountants ("MICPA") and Certified Public Accountants Australia.

He graduated from Monash University in Melbourne with a Bachelor of Commerce majoring in both accounting and finance.

He has more than 8 years' experience in financial sector. He began his career with Messrs Ernst & Young Malaysia covered clientele from plantations, oil and gas and retail industries, subsequently he joined RHB Investment Bank Berhad, in-charge of mergers and acquisitions, valuation and financial advisory assignments and participated in Kulim (Malaysia) Berhad divestment in New Britain Palm Oil Limited.

He is a major shareholder of GLBHD by virtue of his deemed interest in Tang & Co Sdn Bhd, Agrobulk Holdings Sdn Bhd and Agromate Holdings Sdn Bhd.

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 109 of this Annual Report. Within the past 5 years, he has no conviction for offences.

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 49) was appointed as the General Manager of GLBHD's Indonesia Operation on 1 September 2016.

He was with Genting Plantation Group for the past 29 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.

He has no family relationship with any other directors or substantial shareholders of the Company. There is no conflict of interest with the Company. Within the past 5 years, he has no conviction for offences.

NG HENG PHAI

Chief Operating Officer - Property Division

Mr Ng Heng Phai (Malaysian, age 59) joined GLBHD on 1 June 2016 as the Head of Property Division and then redesignated as Chief Operating Officer of Property Division on 1 January 2017.

He 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.

He was with the Mah Sing Group for the last 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 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 35 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.

He has no family relationship with any other directors or substantial shareholders of the Company. There is no conflict of interest with the Company. Within the past 5 years, he has no conviction for offences.

Profile of the Key Senior Management (cont'd)

CHAI CHOONG WAH

Chief Financial Officer

Mr Chai Choong Wah (Malaysian, age 45) joined GLBHD on 3 May 2016 as Financial Controller and 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 years before registered into MIA member as Chartered Accountant.

He has also more than eighteen 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.

He has no family relationship with any other directors or substantial shareholders of the Company. There is no conflict of interest with the Company. Within the past 5 years, he has no conviction for offences.

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

Statement on Corporate Governance

The Board of Directors ("Board") of Golden Land Berhad ("Company") recognises the importance of adopting high standards of corporate governance throughout the Golden Land Berhad Group of Companies ("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 Group 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 is 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 2017. The Board approved this Statement on 25 September 2017 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 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:

(a) Reviewing and adopting the strategic plan for the Group

The Board plays an active role in the development of the Group's strategy, and in monitoring its performance and implementation. Management presents their proposals and highlights their thought processes and justification for such proposals. The Board in turn reviews, challenges and approves the Management's proposals.

Statement on Corporate Governance (cont'd)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (cont'd)

Clear roles and responsibilities of the Board (Cont'd)

(b) Overseeing the conduct of the Group's business

The Board together with the Senior Management team promotes good corporate governance culture within the Group which reinforces ethical, prudent and professional behavior. The Board supervises and assesses management performance to determine whether the business is being properly managed.

The Board review and evaluate the conduct of the Group's businesses at their respective quarterly meetings. The CEO is responsible for the day-to-day management of the business and operations of the Group and is supported by the Heads of Plantation and Property Divisions. The Management's performance under the leadership of the CEO is monitored by the Board through reports of the Group's operating and financial performance which is tabled to the Board each quarter.

The relevant members of the Management were in attendance at Board meetings to support the CEO in presenting the updates on the progress of key initiatives, business targets and achievements to date, and to provide clarification on the challenges and issues raised by the Board.

(c) Identifying principal risks, and ensuring the implementation of appropriate internal controls and mitigation measures

The Board recognises the need for a strong risk management discipline across the Group to ensure achievement of the desired business objectives. Through the Audit Committee ("AC"), the Board oversees the risk management framework of the Group. The Board ensures there is a sound framework for internal controls and risk management within the Group. The AC advises the Board on areas of high risk and the adequacy of compliance and control procedures throughout the Group.

The AC reviews and recommends for the Board's approval the annual Risk Profile which specifies the key risks of the strategic, operational, reporting and compliance objectives. The Board understands the principal risks of the Group's business and recognises that business decisions involve the taking of appropriate risks. The Board set the risk appetite within which the Board expects Management to operate.

Details of the Group's Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Control of this Annual Report.

(d) Succession planning

The Board ensures that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management. The Board through the Nomination Committee ("NC") is responsible to ensure that there is an effective and orderly succession planning in place.

(e) Overseeing the development and implementation of a shareholders' communication policy for the Group

The Board recognises that a sound investor relations programme and shareholders' communication policy is vital in managing investors' and shareholders' interests and perception of the Group. The Board ensures that the Group has in place procedures to enable effective communication with stakeholders. The Group believes in building investors' confidence through good corporate governance practices.

(f) Reviewing the adequacy and the integrity of the management information and internal controls system of the Group

The internal control and management information systems are embedded within the Group's operating activities.

The Board ensures the integrity of the Group's financial and non-financial reporting. The Board is ultimately responsible for the adequacy and integrity of the Company's internal control system. Details pertaining to the Company's internal control system and its effectiveness are available in the Statement on Risk Management and Internal Control of this Annual Report.

Statement on Corporate Governance (cont'd)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (cont'd)

Formalised ethical standards through Code of Conduct for Directors

Code of Conduct for Directors

High standards of corporate and individual behavior are observed by the Board in the context of their roles as Directors of the Group. Ethical standards are formalised through the Code of Conduct for Directors.

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 Code of Conduct for Directors is available on 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 department 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 Chairman of the AC. 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 AC, Human Resource Director 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 2017, there was no complaint received.

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 Group and the progress of the Group'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 Strategies to Promote Sustainability is available on the Company's website.

Statement on Corporate Governance (cont'd)

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. In addition, 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 meetings 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 roles and responsibilities 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 is qualified to act as Company Secretary under Section 235(2) of the Companies Act, 2016. 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 facilitate the orientation of new director and assist in director training and development. 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 the 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 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 Group 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 Group. The Board Charter is periodically reviewed and updated in accordance with the needs of the Group 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 on the Company's website.

Statement on Corporate Governance (cont'd)

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (cont'd)

Supply of Information

The Board reviews the 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 NC comprises of three (3) Independent Non-Executive Directors, who are:-

- Beh Sui Loon (Chairman)
- Tan Teck Kiong
- Lim Saw Imm

The NC is chaired by a Senior Independent Director ("SID"). In determining the Director to be appointed as SID of the Company, the NC took into consideration several factors, including the fact that he was one of the longest serving Independent Director 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 NC 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 retire(s) (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 three (3) times.

Statement on Corporate Governance (cont'd)

STRENGTHEN COMPOSITION (cont'd)

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 NC, which is responsible for making recommendations to the Board on all new Board and Board Committee appointments based on a formalised transparent procedure. The recommendations of the NC will be based on objective criteria, merit and with due regard the diversity in skills, experience, age, cultural background and gender.

The Policy on Nomination and Assessment Process of Board Members states the process for the appointment of new director and is available on the Company's website.

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

The Group is committed to actively managing diversity as a means of enhancing the Company's performance by recognising and utilising 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 Group values the differences between its people and the contribution these differences make to the Group.

To achieve diversity, the Board delegated to the 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 is 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 considers 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.

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 of 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 Board for consideration.

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

During the financial year, there were two (2) new directors and an Alternate Director being appointed to the Board. To date, the Board has two (2) female directors.

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 during the financial year 2017. Assessments were undertaken in respect of the year ended 30 June 2017 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 NC 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.

Statement on Corporate Governance (cont'd)

STRENGTHEN COMPOSITION (cont'd)

Develop, maintain and review criteria for recruitment and annual assessment of Directors (Cont'd)

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.

In October 2016, the Board approved the recommendation of the NC that the Directors who were due to retire by rotation and re-appointment at the Twenty-Second AGM were Mr Yap Phing Cern and Mr Tan Teck Kiong, and being eligible, stood for re-election. During the Twenty-Second AGM held on 22 November 2016, both the Directors were successfully re-elected.

d. Composition of the Board

The Board currently has seven (7) members, comprising two (2) Executive Directors, three (3) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and his Alternate Director. The Independent Directors make up 50% 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 Board comprises of five (5) male Directors (including an Alternate Director) and, two (2) female Directors. 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.

The Boardroom Gender Diversity Policy is available on the Company's website.

Statement on Corporate Governance (cont'd)

STRENGTHEN COMPOSITION (cont'd)

Formal Remuneration Policy and Procedure

Remuneration Committee

The Remuneration Committee ("RC") comprises 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 twice.

Remuneration Structure

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

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 Group'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 coverage, professional subscription and personal telecommunication facilities.

iii. Non-Executive Directors

Non-Executive Directors receive a fixed directors' fee and their remuneration are reviewed annually.

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

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

Statement on Corporate Governance (cont'd)

STRENGTHEN COMPOSITION (cont'd)

Formal Remuneration Policy and Procedure (Cont'd)

iii. Non-Executive Directors (Cont'd)

The continued growth and development of the Group demands a strong link between remuneration and performance. The RC 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 Group. 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 Director.

The RC has in place a remuneration policy and is responsible for assessing the compensation package for the Executive Directors. The remuneration of the Executive Directors consists of salary and other emoluments, bonus and benefits-in-kind.

Remuneration for Non-Executive Directors is determined by the Board as a whole, with individual Director abstaining from discussion of their own remuneration. The Board, subject to a maximum sum as authorised by the Company's shareholders, determines fees payable to Non-Executive Directors. Non-Executive Directors are 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 69 and 70.

REINFORCE INDEPENDENCE

Annual Assessment of Independence

The Board, via the NC 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 Listing Requirements.

Appointment to the Board

During the financial year, the appointment of Mr Tan Teck Kiong and Ms Lim Saw Imm as the Independent Non-Executive Directors and Mr Tang Weihann as Alternate Director to Mr Oh Kim Sun was reviewed and assessed by the Nomination Committee based on agreed upon criterion stated in the Policy on Nomination and Assessment Process of Board Members which is available for viewing on the Company's website.

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. The policy on limitation of the tenure of Independent Directors to nine (9) years is stated in the Board Charter.

Statement on Corporate Governance (cont'd)

REINFORCE INDEPENDENCE (cont'd)

Shareholders' approval for re-appointment as Independent Non-Executive Director after a tenure of nine (9) 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-Third 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. 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 other 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.

Composition of the Board

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.

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 2017, the Board conducted six (6) board meetings and each Board member fulfilled the required attendance of board meetings as required under Paragraph 15.05 of the Listing Requirements.

The details of the attendance of each Director are as follows:-

Name	Total Meetings Attended
Beh Sui Loon (Chairman)	6/6
Yap Phing Cern	6/6
Yap Fei Chien	6/6
Oh Kim Sun	5/6
Tan Teck Kiong @	4/4
Lim Saw Imm*	1/1

@ Mr Tan Teck Kiong was appointed as Independent Non-Executive Director on 13 October 2016.
* Ms Lim Saw Imm was appointed as Independent Non-Executive Director on 31 March 2017.

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.

Statement on Corporate Governance (cont'd)

FOSTER COMMITMENT (cont'd)

Protocols for the Acceptance of New Directorship

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 in other companies. 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.

During the financial year 2017, 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:-

Director	Mode of Training	Title of Training	Duration of Training
Beh Sui Loon	Talk	KPMG in Malaysia Tax Summit 2016	1 day
	Seminar	Company Law 2016: Total Revamp with Huge Tax Planning Opportunity	1 day
Yap Phing Cern	Workshop	Management Discussion & Analysis (MD&A)	1 day
	Seminar	Overview of the Changes in Companies Act 2016	1 day
Yap Fei Chien	Briefing	Directors' Continuous Learning Programme – The Companies Act 2016 – Challenges for Directors and Officers	1 day
Oh Kim Sun	Seminar	Bank of Singapore Market Outlook	1 day
	Seminar	Overview of the Changes in Companies Act 2016	1 day
	Seminar	Market Outlook with Credit Suisse	1 day
Tan Teck Kiong	Workshop	1-Day Workshop on Companies Act 2016	1 day
	Seminar	Company Law 2016: Total Revamp with Huge Tax Planning Opportunity	1 day
Lim Saw Imm	Seminar	PWC Budget Seminar 2017	1 day
	Seminar	LHDN - National Tax Seminar	1 day
	Seminar	Directors' Continuous Learning Programme – The Companies Act 2016 – Challenges for Directors and Officers	1 day
	Seminar	Driving Financial Integrity and Performance – Enhancing Financial Literacy for Audit Committee	1 day
Tang Weihann	Seminar	Overview of the Changes in Companies Act 2016	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.

Statement on Corporate Governance (cont'd)

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 AC, 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 with the assistance of the AC 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 Standards Board and comply with the provisions of the Companies Act, 2016.

A statement by the Board of its responsibilities for preparing the financial statements is set out on page 30 of this Annual Report.

The Audited Financial Statements for the financial year 2017 is set out on pages 39 to 124 of this Annual Report.

Assessment of suitability and independence of external auditors

The Board, via the AC, establishes formal and transparent relationships with the Auditors. The Auditors are invited to attend AC meetings to discuss audit plans and findings leading to the finalisation of the financial statements and attending the general meeting.

The AC carried out annual assessment of the competency and independence of the external auditors. In its assessment, the AC 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 AC will recommend their re-appointment to the Board, upon which the shareholder's approval will be sought at the AGM.

The External Auditors therefore declare their independence annually to the AC as provided in the annual audit plan as specified by the By-Laws issued by the Malaysian Institute of Accountants.

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 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 AC has been entrusted by the Board to ensure effectiveness of the Group's internal control system. The activities of the outsourced internal auditors are reported regularly to the AC 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 system 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 outsourced its internal audit function to a professional services firm which reports directly to the Audit Committee. The function of internal audit is described in the Audit Committee's Report.

Statement on Corporate Governance (cont'd)

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 if 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 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 to provides all relevant information and is accessible by the public at www.glbhd.com. This Investor Relations section enhances the Investor Relations function by including links to the announcements made by the Company for the public to access.

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

Encourage shareholder 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-Third AGM on 9 November 2017 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

Statement on Corporate Governance (cont'd)

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (cont'd)

Poll Voting

As required by the listing requirements, poll voting will be conducted for all resolutions set out in the Twenty-Third Notice of AGM. 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 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 Shareholders' Communication Policy is available on the Company's website.

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. 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.

Moreover, 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 25 September 2017.

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 2017, 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, 2016; 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 25 September 2017.

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 2017. 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 involve the incurrence of risks. Our risk management policy, therefore, is to achieve a proper balance between the level of risks accepted and the expected returns for the business.

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 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 and practices which include 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 significant risks; and
- Regular review on the effectiveness of internal controls.

The risk management and internal control framework has been 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 the 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 with the Group's operations and working culture. Therefore, significant risks arising from factors within the Group and from changes in the business environment have been addressed on a timely basis.

Statement on Risk Management and Internal Control (cont'd)

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (cont'd)

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 Governance

The Board, through Audit Committee, maintains an oversight responsibility for key risks within the Group. The Audit Committee is supported by the Internal Audit Function. The Audit Committee discusses issues relating to key risks and internal controls when highlighted by the External and Internal Auditors in the course of their statutory audit of the financial statements of the Group and internal control review as per the approved audit plans. Appropriate remedial actions have also been taken by the Management to implement decisions made by the Board and Audit 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 goals and targets including implementing appropriate control processes to manage key risks within their business and operational activities.

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 Risk Management Processes are supported by policies and procedures which are consistent with the internationally recognised risk management framework (ISO 31000) and Committee of Sponsoring Organizations of the Treadway's Commission (COSO) ERM framework. 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 and reported to the Management Committee for deliberation.

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 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, Human Resource Director and Senior Management is entrusted with the responsibilities for the running of the Group's day-to-day operations. The Management Committee meets monthly to consider operational matters and makes appropriate recommendations to the Board on significant capital expenditure, investment or divestment affecting the Group;
- The Executive Directors participate actively in the day-to-day operations of the Group and hold regular dialogues with 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 operation sites to observe the state of affairs of the operations;
- The Group's Budget is reviewed and approved by the Board. Each line of business units 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;

Statement on Risk Management and Internal Control (cont'd)

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (cont'd)

Risk Management and Internal Control Processes (Cont'd)

- The financial performance of the Company for every quarter is subject to review by the Audit Committee and by both the Internal Auditors and External Auditors. The Audit Committee then reports and makes recommendation to the Board;
- The Group reviews the 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 internal controls in place, to cope with the changing business environment.

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 2017 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 which 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.

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 their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

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	190,310,815	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	102,342,363	Within 36 months	
3.	Working Capital	43,670,000	43,670,000	Within 12 months	
4.	Estimated Expenses	20,000,000	11,527,242	Within 18 months	The intended time was extended from 6 months to 18 months
		444,000,000	347,850,420		

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 2017 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
Lim Saw Imm *(Appointed on 31 March 2017)*	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 2017. The Company's Chief Financial Officer and Group Accountant were 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	4
Tan Teck Kiong (Appointed on 13 October 2016)	3	3
Lim Saw Imm (Appointed on 31 March 2017)	1	1
Victor Peh Suan Ean (Resigned on 14 October 2016)	1	1

Audit Committee's Report (cont'd)

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 2017 and the annual audited financial statements of 2017 at its meeting on 24 August 2017 and 25 September 2017 respectively. The quarterly financial statements for the first, second and third quarters of 2017, were reviewed at the meetings held on 21 November 2016, 24 February 2017 and 26 May 2017 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, 2016 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 2017.

- 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 at the meeting held on 25 September 2017 prior to presentation to the Board for approval and subsequent dispatch to the shareholders.

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

- At the General Meeting held on 22 November 2016, the shareholders had approved the appointment of Messrs BDO ("BDO") as Auditors of the Company in place of the retiring auditors, Messrs Ernst & Young.

- In tandem with the recommendation introduced in the Code, the Committee has obtained a written assurance from BDO as External Auditors on 26 May 2017 confirming their independence. The Committee agreed that the External Auditors were 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 26 May 2017, the Committee reviewed the External Auditors' 2017 Audit Plan comprising their scope of work and proposed fees for the statutory audit, including review of the Statement of Risk Management and Internal Control.

Audit Committee's Report (cont'd)

SUMMARY OF WORK (cont'd)

3. External Audit (Cont'd)

- Reviewed together with the 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 24 August 2017.

- The Committee had one (1) private meeting with the External Auditors on 24 August 2017 without the presence of the CEO and the Management.

4. Risk Management

   - Reviewed the risk profile reports, assessed the adequacy and effectiveness of the risk management framework and the appropriateness of Management's responses to key risk areas and proposed recommendations for improvements to be implemented.

5. 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 second, third and fourth quarter of the Committee meetings during the year. A total of five (5) audit engagements were completed during financial year ended 30 June 2017. The Committee agreed with the internal audit findings and corrective actions on reported weaknesses recommended by the Internal Auditors.

6. 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 25 September 2017.

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 provide 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. The Internal Auditors adopted a risk based approach including the adoption of key guidance as prescribed by the Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF). Audit findings and recommendations are reported to the Committee periodically for attention and remedial action including periodic follow-up on the implementation of action plans. The Management is responsible for ensuring that remedial actions were implemented accordingly.

Audit Committee's Report (cont'd)

INTERNAL AUDIT FUNCTION (cont'd)

The scope of audit engagements were developed taking into consideration the Group's risk profile for the financial year 2017. The identified key audit areas were as follows:-

Details	Period Presented
Estate Management	Q2
Accounts & Finance Department Status Update on the Previous Internal Auditors' findings	Q3
Status Update on the Previous Internal Auditors' findings Status Update on the new MCCG 2017	Q4

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

The total costs incurred for the outsourcing of the Internal Audit Function in respect of the financial year ended 30 June 2017 was approximately RM99,470.

This Report was made in accordance with the resolution of the Board of Directors passed on 25 September 2017.

Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries, associate and joint venture are stated in Notes 21, 22 and 23 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	1,430,075	15,366,199
Attributable to:		
Owners of the parent	2,630,144	15,366,199
Non-controlling interests	(1,200,069)	-
	1,430,075	15,366,199

DIVIDEND

No dividend was paid by the Company since the end of the previous financial year.

The Directors do not recommend any payment of final dividend in respect of the current financial year.

On 24 August 2017, the Directors declared a first interim single tier dividend of 1 sen per ordinary share amounting to RM2,145,238 in respect of the financial year ending 30 June 2018, which will be payable on 28 September 2017.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than restatement of prior years retained earnings arising from changes in accounting policies and effect of adoption of Companies Act, 2016 as disclosed in Note 42 and Note 33(a) to the financial statements respectively.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares and debentures during the financial year.

Directors' Report (cont'd)

TREASURY SHARES

During the financial year, the Company repurchased 456,400 ordinary shares listed and quoted on the main market of Bursa Malaysia Securities Berhad from the open market at an average buy-back price of RM0.604 per ordinary share. The total consideration paid, including transaction costs, of RM277,586 was financed by internally generated funds. The shares repurchased are held as treasury shares in accordance with Section 127 of the Companies Act, 2016 in Malaysia.

The Company has the right to cancel, resell, distribute the treasury shares as dividends and/or transfer the treasury shares for the purposes of an employees' share scheme or as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended. None of the treasury shares repurchased had been sold or cancelled during the financial year.

The number of ordinary shares in issue as at 30 June 2017 after taking into account the treasury shares held of 7,109,800 is 215,802,769 ordinary shares. Further relevant details are disclosed in Note 33 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

The Directors who have held for office since the date of the last report are:

<u>Golden Land Berhad</u>

Beh Sui Loon	
Oh Kim Sun	
Yap Phing Cern*	
Yap Fei Chien*	
Tan Teck Kiong	(Appointed on 13 October 2016)
Tang Weihann (Alternate Director to Oh Kim Sun)	(Appointed on 23 January 2017)
Lim Saw Imm	(Appointed on 31 March 2017)
Victor Peh Suan Ean	(Resigned on 14 October 2016)

* These Directors of the Company are also the Directors of certain subsidiaries of the Company.

<u>Subsidiaries of Golden Land Berhad (excluding those who are listed above)</u>

Chin Woon Sian @ Louis Chin	
Datuk Domami Bin Hussain	
Dwi Tjiptodharmono	
Hery Hermawan Herijanto	
Ong Boon Chye	
Tham Kai Ling	
Tung Chung Yung	
Wong Cheu Kheng	
Sagathavan A/L Kannan Nambiar	
Ng Heng Phai	(Appointed on 5 January 2017)

Directors' Report (cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2017 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016 in Malaysia were as follows:

	-- Number of ordinary shares --			
Name of Director	**Balance as at 1.7.2016**	**Bought**	**Sold**	**Balance as at 30.6.2017**
Yap Phing Cern				
Direct shareholding	57,681,711	7,930,000	-	65,611,711
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
Tang Weihann (Alternate Director to Oh Kim Sun)				
Indirect shareholding+	54,460,700	-	-	54,460,700

+ Held through another body corporate
* Held by spouse

By virtue of Section 8(4) of the Companies Act, 2016 in Malaysia, Yap Phing Cern, Oh Kim Sun and Tang Weihann (Alternate Director to Oh Kim Sun) are also deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in ordinary shares and options over ordinary shares in the Company or ordinary shares, options over ordinary shares and debentures of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the 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 other than deemed benefits arising from related party transactions as disclosed in Note 38 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Report (cont'd)

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Group and the Company maintain Directors' and Officers' liability insurance for the purpose of Section 289 of the Companies Act, 2016, which provides appropriate insurance cover for their Directors and officers throughout the financial year. The insurance premium paid by the Group during the financial year amounted to RM25,020.

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in Note 13 to the financial statements.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements of the Group and of the Company were prepared, 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 other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would render the amounts 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 material extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) 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) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

Directors' Report (cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (cont'd)

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SUBSIDIARIES

Details of subsidiaries are set out in Note 21 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 43 to the financial statements.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

Details of auditors' remuneration are set out in Note 11 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors.

....
Beh Sui Loon
Director

....
Yap Fei Chien
Director

Kuala Lumpur
25 September 2017

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 49 to 124 have been drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2017 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 45 to the financial statements on page 125 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 Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

On behalf of the Board,

....

Beh Sui Loon
Director

Yap Fei Chien
Director

Kuala Lumpur
25 September 2017

Statutory Declaration

I, Chai Choong Wah, being the officer primarily responsible for the financial management of Golden Land Berhad, do solemnly and sincerely declare that the financial statements set out on pages 49 to 125 are, to the best of my knowledge and belief, 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)
at Kuala Lumpur this)
25 September 2017)

Chai Choong Wah

Before me:

Independent Auditors' Report

To the Members of Golden Land Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Golden Land Berhad, which comprise the statements of financial position as at 30 June 2017 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 financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 49 to 124.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2017, and of their financial performance and their cash flows for the financial year then ended in accordance with Financial Reporting Standards ("FRS") and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of trade receivables and amount due from a customer on contract works:

As at 30 June 2017, trade receivables that were past due but not impaired and amount due from a customer on contract works amounted to RM2.45 million and RM2.34 million respectively. The details of trade receivables and amount due from a customer on contract works have been disclosed in the Note 24 and Note 25 to the financial statements.

Management assessed impairment on trade receivables based on specific known facts or circumstances on customers' abilities to pay, which involved significant management judgement. The amount due from a customer on contract works is also an area requiring audit focus as significant management judgement and estimates are involved in arriving at the validity of the amount due from a customer on contract works and its recoverability.

Independent Auditors' Report

To the Members of Golden Land Berhad (Incorporated in Malaysia) (cont'd)

Recoverability of trade receivables and amount due from a customer on contract works: (cont'd)

Audit response

Our audit procedures included the following:

i. perused significant contract terms and conditions of the construction projects;

ii. inquired from management on the action plans to recover the amounts outstanding;

iii. discussed with management to understand the basis and feasibility of the estimated timing of collection; and

iv. assessed recoverability of trade receivables that were past due but not impaired and amount due from a customer on contract works with reference to past historical repayment trends, customers' creditworthiness and cash received subsequent to year end.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with FRSs and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report
To the Members of Golden Land Berhad (Incorporated in Malaysia) (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditors' Report

To the Members of Golden Land Berhad (Incorporated in Malaysia) (cont'd)

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 21 to the financial statements.

Other Reporting Responsibilities

The supplementary information set out in Note 45 of the financial statements 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

The financial statements of the Group and the Company for the financial year ended 30 June 2016 were audited by another firm of chartered accountants whose report dated 6 October 2016 expressed an unqualified opinion on those statements.

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO
AF : 0206
Chartered Accountants

Law Kian Huat
2855/06/18 (J)
Chartered Accountant

Kuala Lumpur
25 September 2017

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2017

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Continuing operations					
Revenue	5	4,259,846	8,881,220	453,145	1,177,900
Cost of sales	6	(2,539,751)	(5,907,858)	-	-
Gross profit		1,720,095	2,973,362	453,145	1,177,900
Other items of income					
Interest income	7	6,834,921	5,928,566	9,348,829	8,096,882
Other income	8	15,383,959	100,733,952	18,126,495	436,665,896
Other items of expense					
Marketing and distribution		(33,234)	(312,420)	-	-
Administrative expenses		(18,222,289)	(13,917,909)	(11,716,976)	(6,845,315)
Finance costs	9	(64,793)	(3,624,296)	(17,463)	(4,470,060)
Other expenses	10	(172,079)	(15,586,686)	-	(4,094,022)
Share of results of joint venture, net of tax		(3,778,445)	1,083,560	-	-
Profit before tax	11	1,668,135	77,278,129	16,194,030	430,531,281
Tax expense	14	(238,060)	(24,595,158)	(827,831)	(24,524,106)
Profit for the financial year from continuing operations		1,430,075	52,682,971	15,366,199	406,007,175
Discontinued operations					
Profit from discontinued operations, net of tax	35	-	16,333,623	-	2,355,454
Profit for the financial year		1,430,075	69,016,594	15,366,199	408,362,629

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2017 (cont'd)

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Other comprehensive income/(loss):				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
- Foreign currency translation	6,852,470	6,402,506	-	-
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:				
- Actual employee benefit	30,295	(18,811)	-	-
Other comprehensive income, net of tax	6,882,765	6,383,695	-	-
Total comprehensive income for the financial year	8,312,840	75,400,289	15,366,199	408,362,629
Profit/(Loss) attributable to:				
Owners of the parent				
- from continuing operations	2,630,144	53,742,810	15,366,199	406,007,175
- from discontinued operations	-	16,333,623	-	2,355,454
	2,630,144	70,076,433	15,366,199	408,362,629
Non-controlling interests	(1,200,069)	(1,059,839)	-	-
	1,430,075	69,016,594	15,366,199	408,362,629
Total comprehensive income/(loss) attributable to:				
Owners of the parent				
- from continuing operations	9,545,792	60,112,130	15,366,199	406,007,175
- from discontinued operations	-	16,333,623	-	2,355,454
	9,545,792	76,445,753	15,366,199	408,362,629
Non-controlling interests	(1,232,952)	(1,045,464)	-	-
	8,312,840	75,400,289	15,366,199	408,362,629

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2017 (cont'd)

		Group	
	Note	2017 RM	2016 RM
Earnings per share attributable to owners of the parent (sen per share):			
- Basic	15	1.22	32.40
- Diluted	15	1.22	32.40
Earning per share from continuing operations attributable to owners of the parent (sen per share):			
- Basic	15 (a)	1.22	24.85
- Diluted	15 (a)	1.22	24.85
Earnings per share from discontinued operations attributable to owners of the parent (sen per shares):			
- Basic	15 (b)	-	7.55
- Diluted	15 (b)	-	7.55

The accompanying notes form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2017

	Note	Group 2017 RM	Group 2016 RM (Restated)	Company 2017 RM	Company 2016 RM
ASSETS					
Non-current assets					
Property, plant and equipment	16	20,932,820	22,618,120	3,428,225	3,221,669
Land use rights	17	30,618,914	30,282,505	651,071	677,856
Biological assets	18	33,958,695	17,509,114	-	-
Investment properties	19	31,300,000	64,500,000	-	-
Intangible assets	20	8,913,064	8,913,064	-	-
Investments in subsidiaries	21	-	-	38,482,776	36,371,599
Investment in an associate	22	1	1	1	1
Investment in a joint venture	23	1,019,543	4,797,988	5,000,000	5,000,000
Other receivables	24	133,983,104	141,525,551	64,583,581	277,685,282
Other assets	25	3,042,827	1,149,499	-	-
Deferred tax assets	26	883,752	294,416	-	-
		264,652,720	291,590,258	112,145,654	322,956,407
Current assets					
Property development costs	27	35,445,090	19,654,432	-	-
Inventories	28	21,001,266	2,950,957	-	-
Trade and other receivables	24	35,040,652	81,378,849	254,728,297	74,497,846
Other assets	25	11,853,714	10,098,865	304,954	90,121
Tax recoverable		1,505,662	716,284	901,028	290,730
Cash and bank balances	29	150,796,965	274,574,789	146,772,328	267,108,510
		255,643,349	389,374,176	402,706,607	341,987,207
TOTAL ASSETS		520,296,069	680,964,434	514,852,261	664,943,614

Statements of Financial Position

As at 30 June 2017 (cont'd)

	Note	Group 2017 RM	Group 2016 RM (Restated)	Company 2017 RM	Company 2016 RM
EQUITY AND LIABILITIES					
Current liabilities					
Loans and borrowings	30	142,939	559,936	91,126	86,445
Trade and other payables	31	23,180,183	27,214,542	16,951,490	19,881,183
		23,323,122	27,774,478	17,042,616	19,967,628
Net current assets		232,320,227	361,599,698	385,663,991	322,019,579
Non-current liabilities					
Loans and borrowings	30	395,666	1,100,851	212,281	303,407
Deferred tax liabilities	26	5,746,718	7,194,113	73,665	43,115
Estimated liabilities for post-employment benefit	32	329,770	235,075	-	-
		6,472,154	8,530,039	285,946	346,522
TOTAL LIABILITIES		29,795,276	36,304,517	17,328,562	20,314,150
Equity attributable to owners of the parent					
Share capital	33	73,678,091	222,912,569	73,678,091	222,912,569
Share premium	33	-	17,949,950	-	17,949,950
Treasury shares	33	(685,989)	(5,398,453)	(685,989)	(5,398,453)
Retained earnings		407,380,332	404,723,956	424,531,597	409,165,398
Foreign currency translation reserve	34	12,672,076	5,782,660	-	-
		493,044,510	645,970,682	497,523,699	644,629,464
Non-controlling interests		(2,543,717)	(1,310,765)	-	-
TOTAL EQUITY		490,500,793	644,659,917	497,523,699	644,629,464
TOTAL EQUITY AND LIABILITIES		520,296,069	680,964,434	514,852,261	664,943,614

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 June 2017

2017			← Attributable to owners of the parent →						
				← Non-distributable →					
Group	Note	Equity, total RM	Equity attributable to owners of the parent, total RM	Share capital RM	Share premium RM	Treasury shares RM	Foreign currency translation reserve RM	Distributable retained earnings RM	Non-controlling interests RM
Opening balance at 1 July 2016		644,659,917	645,970,682	222,912,569	17,949,950	(5,398,453)	5,782,660	404,723,956	(1,310,765)
Profit for the financial year		1,430,075	2,630,144	-	-	-	-	2,630,144	(1,200,069)
Other comprehensive income									
- Actual employee benefit		30,295	26,232	-	-	-	-	26,232	4,063
- Foreign currency translation		6,852,470	6,889,416	-	-	-	6,889,416	-	(36,946)
Other comprehensive income, net of tax		6,882,765	6,915,648	-	-	-	6,889,416	26,232	(32,883)
Total comprehensive income for the financial year		8,312,840	9,545,792	-	-	-	6,889,416	2,656,376	(1,232,952)
Transactions with owners									
Capital repayment	33	(162,194,378)	(162,194,378)	(167,184,428)	-	4,990,050	-	-	-
Purchase of treasury shares:									
- Consideration	33	(275,786)	(275,786)	-	-	(275,786)	-	-	-
- Transaction costs	33	(1,800)	(1,800)	-	-	(1,800)	-	-	-
Total transactions with owners		(162,471,964)	(162,471,964)	(167,184,428)	-	4,712,464	-	-	-
Effect of the new Companies Act, 2016	33	-	-	17,949,950	(17,949,950)	-	-	-	-
Closing balance at 30 June 2017		490,500,793	493,044,510	73,678,091	-	(685,989)	12,672,076	407,380,332	(2,543,717)

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 June 2017 (cont'd)

2016			<---- Attributable to owners of the parent	<---- Non-distributable						---->
		Equity, total	Equity attributable to owners of the parent, total	Share capital	Share premium	Treasury shares	Foreign currency translation reserve	Reserve attributable to disposal group classified as held for sale	Revaluation reserve	Distributable retained earnings	Non-controlling interests
Group	**Note**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**	**RM**
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)
Prior year adjustments	42	31,390,388	31,390,388	-	-	-	-	-	-	31,390,388	-
Restated balance at 1 July 2015		592,907,813	593,173,114	222,912,569	17,949,950	(5,367,225)	(602,912)	251,059,991	20,905	107,199,836	(265,301)
Profit for the financial year		69,016,594	70,076,433	-	-	-	-	-	-	70,076,433	(1,059,839)
Other comprehensive income											
- 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
Other comprehensive income, net of tax		6,383,695	6,369,320	-	-	-	6,385,572	-	-	(16,252)	14,375
Total comprehensive income for the financial year		75,400,289	76,445,753	-	-	-	6,385,572	-	-	70,060,181	(1,045,464)
Reversal of deferred tax		4,498,034	4,498,034	-	-	-	-	-	-	4,498,034	-
Realisation of revaluation reserves		-	-	-	-	-	-	(251,059,991)	(20,905)	251,080,896	-
Transactions with owners											
Purchase of treasury shares:											
- Consideration	33	(31,000)	(31,000)	-	-	(31,000)	-	-	-	-	-
- Transaction costs	33	(228)	(228)	-	-	(228)	-	-	-	-	-
Dividend paid	36	(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		644,659,917	645,970,682	222,912,569	17,949,950	(5,398,453)	5,782,660	-	-	404,723,956	(1,310,765)

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity

For the Financial Year Ended 30 June 2017

2017 Company	Note	Equity, total RM	<---- Non-distributable ---- Share capital RM	Share premium RM	----> Treasury shares RM	Distributable retained earnings RM
Opening balance at 1 July 2016		644,629,464	222,912,569	17,949,950	(5,398,453)	409,165,398
Profit for the financial year		15,366,199	-	-	-	15,366,199
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income for the financial year		15,366,199	-	-	-	15,366,199
Transactions with owners						
Purchase of treasury shares:						
- Consideration	33	(275,786)	-	-	(275,786)	-
- Transaction costs	33	(1,800)	-	-	(1,800)	-
Capital repayment	33	(162,194,378)	(167,184,428)	-	4,990,050	-
Total transactions with owners		(162,471,964)	(167,184,428)	-	4,712,464	-
Effects of the new Companies Act, 2016	33	-	17,949,950	(17,949,950)	-	-
Closing balance at 30 June 2017		497,523,699	73,678,091	-	(685,989)	424,531,597

Statement of Changes in Equity

For the Financial Year Ended 30 June 2017 (cont'd)

2016 Company	Note	Equity, total RM	<------ Non-distributable ------ Share capital RM	Share premium RM	Treasury shares RM	------> Reserve attributable to disposal group classified as held for sale RM	Accumulated losses/ Distributable retained earnings RM
Opening balance at 1 July 2015		259,915,020	222,912,569	17,949,950	(5,367,225)	37,513,965	(13,094,239)
Profit for the financial year		408,362,629	-	-	-	-	408,362,629
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income for the financial year		408,362,629	-	-	-	-	408,362,629
Reversal of deferred tax		4,498,034	-	-	-	-	4,498,034
Realisation of revaluation reserves		-	-	-	-	(37,513,965)	37,513,965
Transactions with owners							
Purchase of treasury shares:							
- Consideration	33	(31,000)	-	-	(31,000)	-	-
- Transaction costs	33	(228)	-	-	(228)	-	-
Dividend paid	36	(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

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For the Financial Year Ended 30 June 2017

		Group		Company	
	Note	2017 RM	2016 RM	2017 RM	2016 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax from continuing operations		1,668,135	77,278,129	16,194,030	430,531,281
Profit before tax from discontinued operations	35	-	21,508,828	-	2,714,805
Profit before tax, total		1,668,135	98,786,957	16,194,030	433,246,086
Adjustments for:					
Allowance for impairment on biological assets	10	-	13,475,856	-	-
Allowance for impairment on investments in subsidiaries	21	-	-	54,636	-
Allowance for impairment on other receivables	24	205,800	-	353,265	26,600
Amortisation of land use rights	17	1,126,192	1,044,666	26,785	24,727
Amortisation of leasehold land	16	18,492	18,496	-	-
Bad debts written off	11	-	51,579	-	51,579
Depreciation of property, plant and equipment	16	1,075,098	1,413,613	278,736	286,059
Finance costs	9, 35	64,793	6,086,648	17,463	4,636,065
Gain on disposal of land	8	-	-	(346,697)	(821,362)
Gain on disposal of property, plant and equipment	8	(2,670,764)	(796,309)	(12,469)	(453,548)
Gain on disposal of subsidiaries	8	-	(99,533,471)	-	(428,838,666)
Gain on fair value of financial assets	8	(5,879,044)	(169,852)	(6,514,684)	-
Interest income	7, 35	(6,834,921)	(5,936,908)	(9,348,829)	(8,096,882)
Inventories written off	11	22,007	632,426	-	-
Inventories written down	11	-	55,440	-	-
Loss on fair value of financial assets	10	-	2,110,830	-	4,094,022
Loss on disposal of property, plant and equipment	11	-	65,505	-	-
Loss on disposal of biological assets	11	-	598,440	-	598,440
Other receivables written off	11	525,864	-	525,864	-
Plant and equipment scrapped	11	13,189	4,903	-	-
Reversal of impairment loss on amount due from a subsidiary	24	-	-	(1,522,950)	-
Reversal of inventories written down	11	(988)	-	-	-
Reversal of impairment on biological assets	8	(6,750,825)	-	-	-
Share of results of joint venture		3,778,445	(1,083,560)	-	-
Unrealised gain on foreign exchange	8	(1,641)	(3,917)	(9,717,335)	(6,482,320)
		(15,308,303)	(81,965,615)	(26,206,215)	(434,975,286)

Statements of Cash Flows

For the Financial Year Ended 30 June 2017 (cont'd)

		Group		Company	
	Note	2017 RM	2016 RM	2017 RM	2016 RM
Operating cash flows before changes in working capital		(13,640,168)	16,821,342	(10,012,185)	(1,729,200)
Changes in working capital					
Inventories		873,828	1,474,112	-	-
Payables		(4,407,273)	15,372,569	(2,929,693)	18,095,033
Estimated liabilities for post-employment benefit		81,827	88,652	-	-
Other assets		(3,611,805)	13,584	(214,833)	(30,323)
Property development costs		(1,368,701)	1,479,373	-	-
Receivables		(21,029,931)	(48,582,290)	(8,601,855)	(123,391,167)
Subsidiaries		-	-	(24,554,358)	(86,851,084)
Total changes in working capital		(29,462,055)	(30,154,000)	(36,300,739)	(192,177,541)
Cash flows used in operations		(43,102,223)	(13,332,658)	(46,312,924)	(193,906,741)
Income tax refunded		-	-	-	27,670
Tax paid		(3,053,561)	(31,244,298)	(1,407,579)	(28,001,516)
Net cash flows used in operating activities		(46,155,784)	(44,576,956)	(47,720,503)	(221,880,587)
CASH FLOWS FROM **INVESTING ACTIVITIES**					
Interest received		6,604,692	5,125,952	9,118,600	7,323,255
Net cash inflow on disposal of subsidiaries		83,250,000	260,133,963	83,250,000	529,418,363
Net cash outflow on incorporation of subsidiaries		-	-	(2,165,813)	-
Plantation development expenditure	18	(6,843,446)	(12,758,028)	-	-
Prepayment of land lease rental		(38,295)	(774,751)	-	-
Proceeds from disposal of biological assets		-	29,323,560	-	29,323,560
Proceeds from disposal of property, plant and equipment		4,018,276	41,357,637	26,152	41,070,525
Purchase of property, plant and equipment		(1,281,576)	(4,076,015)	(498,975)	(85,557)
Net cash from investing activities		85,709,651	318,332,318	89,729,964	607,050,146

Statements of Cash Flows

For the Financial Year Ended 30 June 2017 (cont'd)

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Acquisition of treasury shares	33	(277,586)	(31,228)	(277,586)	(31,228)
Capital repayment	33	(162,194,378)	-	(162,194,378)	-
Dividends paid	36	-	(28,114,991)	-	(28,114,991)
Drawdown of revolving credits		-	15,000,000	-	15,000,000
Interest paid		(64,793)	(6,086,648)	(17,463)	(4,636,065)
Repayment of obligations under finance leases		(1,297,682)	(1,125,946)	(86,445)	(211,736)
Repayment of term loans		-	(9,080,916)	-	(59,721,096)
Repayment of revolving credits		-	(18,267,000)	-	(72,000,000)
Upliftment of fixed deposit		-	1,377,349	-	-
Net cash flows used in financing activities		(163,834,439)	(46,329,380)	(16,575,872)	(149,715,116)
Net (decrease)/increase in cash and cash equivalents		(124,280,572)	227,425,982	(120,566,411)	235,454,443
Effects of exchange rate changes on cash and cash equivalents		272,519	1,769,582	-	-
Cash and cash equivalents at beginning of financial year		268,352,392	39,156,828	260,886,113	25,431,670
Cash and cash equivalents as at end of financial year	29	144,344,339	268,352,392	140,319,702	260,886,113

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017

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 and principal place of business of the Company is located at A-09-03, Empire Tower, Empire Subang, Jalan SS16/1, 47500 Subang Jaya, Selangor.

The consolidated financial statements for the financial year ended 30 June 2017 comprise the Company and its subsidiaries and the interest of the Group in an associate and a joint venture. The financial statements are presented in Ringgit Malaysia ('RM'), which is also the Company's functional currency.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 25 September 2017.

2. Principal activities

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries, associate and joint venture are stated in Notes 21, 22 and 23 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

3. Basis of preparation

The financial statements of the Group and of the Company set out on pages 49 to 124 have been prepared in accordance with Financial Reporting Standards ("FRSs") and the requirements of the Companies Act, 2016 in Malaysia.

However, Note 45 to the financial statements set out on page 125 has been prepared 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 and the directive of Bursa Malaysia Securities Berhad.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new FRSs during the financial year. The new FRSs and amendments to FRSs adopted during the financial year are set out in Note 4(a) to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

4. Adoption of new FRSs and amendments to FRSs

(a) New FRSs adopted during the financial year

The Group and the Company adopted the following Standards and Amendments of the FRSs Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year.

Title	Effective Date
FRS 14 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128 *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 11 *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 101 *Disclosure Initiative*	1 January 2016
Amendments to FRS 116 and FRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 127 *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRSs *Annual Improvements to 2012-2014 Cycle*	1 January 2016

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company, other than the adoption of Amendments to FRS 101 *Disclosure Initiative*, which resulted in the following:

(i) Grouping together supporting information for items presented in the statements of financial position, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows, in the order in which each statement and each line item is presented.

(ii) Disclosures of only significant accounting policies comprising the measurement bases used in preparing the financial statements and other accounting policies that are relevant to the financial statements.

(b) New FRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2017

The following are Standards and Amendments of the FRSs Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to FRS 107 *Disclosure Initiative*	1 January 2017
Amendments to FRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017
Amendments to FRS 12 *Annual Improvements to FRS Standards 2014 - 2016 Cycle*	1 January 2017
FRS 9 *Financial Instruments (IFRS as issued by IASB in July 2014)*	1 January 2018
Amendments to FRS 2 *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
Amendments to FRS 1 *Annual Improvements to FRS Standards 2014 - 2016 Cycle*	See FRS 1 Paragraphs 39AD and 39ADAA

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

4. Adoption of new FRSs and amendments to FRSs (cont'd)

(b) New FRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2017 (cont'd)

Title	Effective Date
Amendments to FRS 4 *Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts*	See FRS 4 Paragraphs 46, 47AA and 48
Amendments to FRS 128 *Annual Improvements to FRS Standards 2014 – 2016 Cycle*	See FRS 128 Paragraphs 45E and 45EAA
Amendments to FRS 140 *Transfers of Investment Property*	See FRS 140 Paragraphs 85G and 85GAA
IC Interpretations 22 *Foreign Currency Transactions and Advance Consideration*	See IC Interpretation 22 Paragraphs A1 and A1AA
IC Interpretation 23 *Uncertainty over Income Tax Treatments*	See IC Interpretation 23 Paragraphs B1 and B1AA
Amendments to FRS 10 and FRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards, Amendments and Interpretations, since the effects would only be observable for the future financial years.

(c) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2018

<u>Malaysian Financial Reporting Standards (MFRS Framework)</u>

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new 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. Consequently, adoption of the MFRS Framework by Transitioning Entities would be mandatory for annual periods beginning on or after 1 January 2018.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, would be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2019. In presenting its first MFRS financial statements, the Group and the Company would be required to adjust the comparative financial statements prepared under the FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition would be made, retrospectively, against opening retained earnings. The Group and the Company would adopt the MFRS Framework in the financial year beginning on 1 July 2018.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

5. Revenue

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Sale of properties	3,642,979	6,907,887	-	-
Civil and general contract work	616,867	1,973,333	-	-
Dividend income	-	-	400,000	-
Management fee income	-	-	53,145	1,177,900
	4,259,846	8,881,220	453,145	1,177,900

Revenue is measured at the fair value of the consideration received and receivable, net of discounts and rebates for the sale of goods or rendering of services in the ordinary course of the Group's activities.

Revenue is recognised to the extent that the economic benefits associated with the transactions would flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction and can be reliably measured and specific recognition criteria have been met for each of the activities of the Group as follows:

(i) 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.

(ii) Civil and general contracts work

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

(iii) Dividend income

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

(iv) Management fees

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

6. Cost of sales

	Group	
	2017 RM	2016 RM
Civil and general construction cost	639,829	1,266,072
Property development costs	1,899,922	5,413,306
	2,539,751	6,679,378
Interest capitalised in property development cost (Note 27)	-	(771,520)
	2,539,751	5,907,858

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

7. Interest income

	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Interest income from:				
Advances to subsidiaries	-	-	2,566,640	2,234,466
Short term investments and fixed deposits	4,490,486	4,220,337	4,446,594	4,154,187
Other interest income	2,344,435	1,708,229	2,335,595	1,708,229
	6,834,921	5,928,566	9,348,829	8,096,882

Interest income

Interest income is recognised as it accrues, using the effective interest method.

8. Other income

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Unrealised gain on foreign exchange		1,641	3,917	9,717,335	6,482,320
Gain on fair value of financial assets		5,879,044	169,852	6,514,684	-
Gain on disposal of property, plant and equipment		2,670,764	796,309	12,469	453,548
Gain on disposal of land		-	-	346,697	821,362
Gain on disposal of subsidiaries		-	99,533,471	-	428,838,666
Net rental income		76,960	131,200	12,360	70,000
Reversal of impairment on biological assets	18	6,750,825	-	-	-
Reversal of impairment on amount owing from a subsidiary	24	-	-	1,522,950	-
Miscellaneous		4,725	99,203	-	-
		15,383,959	100,733,952	18,126,495	436,665,896

Rental income

Rental income is recognised on accrual basis.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

9. Finance costs

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Interest expense on:				
Advances	-	-	-	1,126,336
Bankers' acceptance	-	158,905	-	-
Bank overdrafts	1,265	55,952	-	17,810
Term loan	-	1,519,372	-	1,519,372
Obligations under finance leases	64,771	107,981	17,463	16,111
Revolving credits	-	1,970,131	-	1,790,431
Overdue interest	4	12	-	-
Total finance costs	66,040	3,812,353	17,463	4,470,060
Less: Interest expense capitalised in:				
- Oil palm planting expenditure (Note 18)	-	(181,714)	-	-
- Property development costs (Note 27)	(1,247)	(6,343)	-	-
	64,793	3,624,296	17,463	4,470,060

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.

10. Other expenses

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Allowance for impairment on biological asset (Note 18)	-	13,475,856	-	-
Loss on fair value of financial assets	-	2,110,830	-	4,094,022
Other operating expenses	172,079	-	-	-
	172,079	15,586,686	-	4,094,022

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

11. Profit before tax

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

		Group		Company	
	Note	2017 RM	2016 RM	2017 RM	2016 RM
Auditors' remuneration					
- statutory audits		218,854	232,463	73,500	90,800
- over provision in prior year		-	(15,311)	-	-
- Continuing		-	(7,311)	-	-
- Discontinued		-	(8,000)	-	-
- other services		132,000	78,084	116,000	13,000
- Continuing		132,000	61,884	116,000	13,000
- Discontinued		-	16,200	-	-
Amortisation of leasehold land	16	18,492	18,496	-	-
Amortisation of land use rights	17	1,126,192	1,044,666	26,785	24,727
Allowance for impairment on other receivables	24	205,800	-	353,265	26,600
Allowance for impairment on investments in subsidiaries	21	-	-	54,636	-
Bad debts written off		-	51,579	-	51,579
Depreciation of property, plant and equipment	16	1,075,098	1,413,613	278,736	286,059
Equipment hire expenses		108,893	992,976	-	-
Gain on disposal of land	8	-	-	(346,697)	(821,362)
Gain on disposal of property, plant and equipment	8	(2,670,764)	(796,309)	(12,469)	(453,548)
Gain on disposal of subsidiaries	8	-	(99,533,471)	-	(428,838,666)
Gain on fair value of financial assets	8	(5,879,044)	(169,852)	(6,514,684)	-
Inventories written down		-	55,440	-	-
Inventories written off		22,007	632,426	-	-
Loss on disposal of biological assets		-	598,440	-	598,440
Loss on disposal of property, plant and equipment		-	65,505	-	-
- Continuing		-	4,850	-	-
- Discontinued		-	60,655	-	-
Management fees		-	-	-	276,642
Other receivables written off		525,864	-	525,864	-
Plant and equipment scrapped		13,189	4,903	-	-
- Continuing		13,189	755	-	-
- Discontinued		-	4,148	-	-

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

11. Profit before tax (cont'd)

The following items have been included in arriving at profit before tax: (cont'd)

	Note	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Reversal of inventories written down		(988)	-	-	-
Rental expenses		526,445	479,939	179,546	86,879
- Continuing		526,445	347,073	179,546	86,879
- Discontinued		-	132,866	-	-

12. Employee benefits expense

	Group 2017 RM	Group 2016 RM	Company 2017 RM	Company 2016 RM
Wages and salaries	11,179,368	27,409,011	5,052,587	4,773,010
Contributions to defined contribution plans	831,791	1,655,874	653,067	578,879
Social security contributions	23,672	63,040	15,408	6,626
Other staff related expenses	284,716	297,950	59,773	27,104
	12,319,547	29,425,875	5,780,835	5,385,619
Capitalised in plantation development expenditure				
- continuing (Note 18)	3,101,096	4,368,536	-	-
- discontinued	-	265,991	-	-
Capitalised in property development costs (Note 27)	149,890	546,217	-	-
Recognised in profit or loss				
- continuing	9,068,561	8,151,606	5,780,835	4,609,624
- discontinued	-	16,093,525	-	775,995

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration excluding benefits-in-kind amounting to RM2,802,223 (2016: RM4,248,395) and RM2,186,395 (2016: RM1,918,092) respectively.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

13. Directors' remuneration

The details of remuneration receivable by Directors of the Company and Directors of subsidiaries during the financial year are as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	1,693,216	1,668,077	1,627,216	810,928
Bonus	285,957	1,053,000	275,000	858,000
Defined contribution plan	302,008	413,274	284,179	249,164
Total executive Directors' remuneration (excluding benefits-in-kind)	2,281,181	3,134,351	2,186,395	1,918,092
Estimated money value of benefits-in-kind	5,313	5,410	5,313	5,410
Total executive Directors' remuneration (including benefits-in-kind)	2,286,494	3,139,761	2,191,708	1,923,502
Non-executive:				
Other emoluments	3,600	3,800	3,600	3,800
Fees	205,839	168,000	205,839	168,000
Total non-executive Directors' remuneration	209,439	171,800	209,439	171,800
Directors of subsidiaries				
Executives:				
Salaries and other emoluments	421,133	844,020	-	-
Bonus	46,400	140,940	-	-
Defined contribution plan	53,509	129,084	-	-
Total executive Directors' remuneration	521,042	1,114,044	-	-
	3,016,975	4,425,605	2,401,147	2,095,302

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

13. Directors' remuneration (cont'd)

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

	Number of Directors	
	2017 RM	2016 RM
Executive Directors:		
RM500,001 - RM550,000	1	-
RM600,001 - RM650,000	-	1
RM1,650,001 - RM1,700,000	1	-
RM2,450,001 - RM2,500,000	-	1
Non-Executive Directors:		
Below RM50,000	3	1
RM50,001 - RM100,000	2	2

Expenses incurred on indemnity given or insurance effected for any Director and officer of the Company and its subsidiaries during the financial year amount to RM25,020 (2016: RM14,120).

The Directors' remuneration and other emoluments represent amounts paid to the Directors in the respective financial years and are disclosed in accordance with Fifth Schedule Part I(2) of the Companies Act, 2016. These have been accrued in the profit or loss over one or more financial years.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

14. Tax expense

(a) Major components of tax expense

The major components of income tax expense for the financial years ended 30 June 2017 and 2016 are:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Current tax - continuing operations:				
- Malaysian income tax	722,356	1,389,349	722,356	1,207,313
- Real property gain tax	1,457,371	25,947,202	-	25,947,202
- Under provision in respect of previous years	84,456	61,943	74,925	55,882
	2,264,183	27,398,494	797,281	27,210,397
Deferred income tax – continuing operations (Note 26)				
- Origination and reversal of temporary differences	(2,026,852)	(2,803,312)	29,724	(2,686,267)
- Under/(Over) provision in respect of previous years	729	(24)	826	(24)
	(2,026,123)	(2,803,336)	30,550	(2,686,291)
Tax expense attributable to continuing operations	238,060	24,595,158	827,831	24,524,106
Current income tax - discontinuing operations:				
- Malaysian income tax	-	3,970,856	-	300,416
- Under provision in respect of previous years	-	555,008	-	58,935
	-	4,525,864	-	359,351
Deferred income tax - discontinuing operations:				
- Origination of temporary differences	-	648,115	-	-
- Under provision in respect of previous years	-	1,226	-	-
	-	649,341	-	-
Tax expense attributable to discontinuing operations (Note 35)	-	5,175,205	-	359,351
Tax expense recognised in profit or loss	238,060	29,770,363	827,831	24,883,457

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

14. Tax expense (cont'd)

(b) Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 30 June 2017 and 2016 are as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Profit before tax from continuing operations	1,668,135	77,278,129	16,194,030	430,531,281
Profit before tax from discontinued operations (Note 35)	-	21,508,828	-	2,714,805
	1,668,135	98,786,957	16,194,030	433,246,086
Tax at Malaysian statutory tax rate of 24% (2016: 24%)	400,352	23,708,870	3,886,567	103,979,061
Adjustments:				
Income subject to different tax rate	(58,403)	(1,172,958)	-	(78,936,472)
Income not subject to taxation	(2,547,774)	(43,550)	(4,259,296)	(1,558,542)
Non-deductible expenses	542,365	4,965,800	1,124,809	1,207,267
Utilisation of current year's reinvestment allowances	-	(3,183)	-	-
Utilisation of deferred tax assets previously not recognised	(372,907)	(213,238)	-	-
Deferred tax assets not recognised	1,442,985	2,170,523	-	77,350
Deferred tax recoqnised at different tax rates	(160,570)	-	-	-
Share of results of joint venture	906,827	(260,054)	-	-
Under provision of income tax in respect of previous years	84,456	616,951	74,925	114,817
Under/(Over) provision of deferred tax in respect of previous years	729	1,202	826	(24)
Tax expense recognised in profit or loss	238,060	29,770,363	827,831	24,883,457

Current tax expense is calculated at the Malaysian statutory rate of 24% (2016: 24%) of the estimated assessable profit for the financial year. The corporate tax rate applicable to the Indonesia subsidiaries of the Group for the year of assessment 2017 is 25% (2016:25%).

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

14. Tax expense (cont'd)

(c) Tax on each component of other comprehensive income is as follows:

	Group					
	2017			2016		
	Before tax RM	Tax effect RM	After tax RM	Before tax RM	Tax effect RM	After tax RM
Other comprehensive income/(loss):						
Other comprehensive income to be reclassified to profit or loss in subsequent periods: - Foreign currency translation	6,852,470	-	6,852,470	6,402,506	-	6,402,506
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods: - Actual employee benefit	34,325	(4,030)	30,295	(18,811)	-	(18,811)
Total	6,886,795	(4,030)	6,882,765	6,383,695	-	6,383,695

15. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the financial 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 the end of the reporting period 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 financial years ended 30 June 2017 and 2016:

	Group	
	2017 RM	2016 RM
Profit net of tax attributable to owners of the parent	2,630,144	70,076,433
Less: Profit from discontinued operations attributable to owners of the parent	-	(16,333,623)
Profit net of tax from continuing operations used in the computation of earnings per share	2,630,144	53,742,810

	Group	
	2017	2016
Weighted average number of ordinary shares for basic earnings per share computation*	216,161,553	216,272,530

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

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

15. Earnings per share (cont'd)

(a) Continuing operations

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

16. Property, plant and equipment

2017 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
Cost							
At 1 July 2016	1,366,250	9,636,903	4,240,790	13,801,736	2,493,790	9,072,749	40,612,218
Additions	-	393,340	-	320,174	359,996	383,566	1,457,076
Disposals	-	-	(300,828)	(8,090,363)	(7,050)	-	(8,398,241)
Reclassification	-	676,209	-	-	-	(676,209)	-
Scrapped	-	(1,620,674)	(1,978,847)	(1,554,711)	(696,218)	-	(5,850,450)
Exchange differences	-	290,037	108,009	96,042	56,863	506,799	1,057,750
At 30 June 2017	1,366,250	9,375,815	2,069,124	4,572,878	2,207,381	9,286,905	28,878,353
Accumulated depreciation							
At 1 July 2016	257,571	3,209,506	2,777,421	9,970,247	1,779,353	-	17,994,098
Depreciation charge for the financial year	18,492	738,657	520,226	1,119,764	284,398	-	2,681,537
Recognised in profit or loss	18,492	271,560	9,349	616,994	177,195	-	1,093,590
Capitalised under plantation development expenditure (Note 18)	-	467,097	510,877	502,770	100,908	-	1,581,652
Capitalised under property development cost (Note 27)	-	-	-	-	6,295	-	6,295
Disposals	-	-	(216,173)	(6,831,959)	(2,597)	-	(7,050,729)
Scrapped	-	(1,617,585)	(1,970,546)	(1,554,698)	(694,432)	-	(5,837,261)
Exchange differences	-	71,335	31,243	25,426	29,884	-	157,888
At 30 June 2017	276,063	2,401,913	1,142,171	2,728,780	1,396,606	-	7,945,533
Net carrying amount							
At 30 June 2017	1,090,187	6,973,902	926,953	1,844,098	810,775	9,286,905	20,932,820

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

16. Property, plant and equipment (cont'd)

2016 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**
Cost							
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
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 financial year	18,496	500,951	359,539	1,164,693	291,060	-	2,334,739
Recognised in profit or loss	18,496	265,185	34,458	925,477	188,493	-	1,432,109
Capitalised under plantation development expenditure (Note 18)	-	235,766	325,081	239,216	79,013	-	879,076
Capitalised under property development cost (Note 27)	-	-	-	-	23,554	-	23,554
Disposals	-	-	-	(237,127)	-	-	(237,127)
Scrapped	-	-	-	(165,508)	(3,285)	-	(168,793)
Reclassifications	-	-	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
Net carrying amount							
At 30 June 2016	1,108,679	6,427,397	1,463,369	3,831,489	714,437	9,072,749	22,618,120

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

16. Property, plant and equipment (cont'd)

Plantations infrastructure and buildings comprise:

Group	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Cost			
At 1 July 2016	184,502	9,452,401	9,636,903
Additions	99,120	294,220	393,340
Reclassification	-	676,209	676,209
Scrapped	(107,237)	(1,513,437)	(1,620,674)
Exchange differences	-	290,037	290,037
At 30 June 2017	176,385	9,199,430	9,375,815
Accumulated depreciation			
At 1 July 2016	107,881	3,101,625	3,209,506
Depreciation charge for the financial year	2,703	735,954	738,657
Recognised in profit or loss	2,703	268,857	271,560
Capitalised under oil palm planting expenditure	-	467,097	467,097
Scrapped	(107,237)	(1,510,348)	(1,617,585)
Exchange differences	-	71,335	71,335
At 30 June 2017	3,347	2,398,566	2,401,913
Net carrying amount			
At 30 June 2017	173,038	6,800,864	6,973,902

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

16. Property, plant and equipment (cont'd)

Group	Plantation infrastructure development expenditure RM	Buildings and labour quarters RM	Total RM
Cost			
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 2015	107,237	2,542,415	2,649,652
Depreciation charge for the financial year	644	500,307	500,951
Recognised in profit or loss	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 2016	76,621	6,350,776	6,427,397

Company	Buildings and labour quarters RM	Heavy equipment and motor vehicles RM	Furniture, fittings and equipment RM	Total RM
Cost				
At 1 July 2016	2,676,110	1,274,610	539,773	4,490,493
Additions	233,443	-	265,532	498,975
Disposals	-	(90,773)	(7,050)	(97,823)
At 30 June 2017	2,909,553	1,183,837	798,255	4,891,645
Accumulated depreciation				
At 1 July 2016	275,910	624,656	368,258	1,268,824
Depreciation charge for the financial year	53,921	172,083	52,732	278,736
Disposals	-	(81,543)	(2,597)	(84,140)
At 30 June 2017	329,831	715,196	418,393	1,463,420
Net carrying amount				
At 30 June 2017	2,579,722	468,641	379,862	3,428,225

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

16. Property, plant and equipment (cont'd)

Company	Buildings and labour quarters RM	Heavy equipment and motor vehicles RM	Furniture, fittings and equipment RM	Total RM
Cost				
At 1 July 2015	2,676,110	1,240,411	507,915	4,424,436
Additions	-	313,699	31,858	345,557
Disposals	-	(279,500)	-	(279,500)
At 30 June 2016	2,676,110	1,274,610	539,773	4,490,493
Accumulated depreciation				
At 1 July 2015	222,378	625,105	317,898	1,165,381
Depreciation charge for the financial year	53,532	182,167	50,360	286,059
Disposals	-	(182,616)	-	(182,616)
At 30 June 2016	275,910	624,656	368,258	1,268,824
Net carrying amount				
At 30 June 2016	2,400,200	649,954	171,515	3,221,669

(a) All items of property, plant and equipment are initially recorded at cost. After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

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

Buildings and 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.

(c) The Group and the Company acquired plant and equipment with an aggregate cost of RM175,500 (2016: RM360,000) and nil (2016: RM260,000) respectively by means of finance leases. The cash outflow by the Group and the Company on acquisition of property, plant and equipment amounted to RM1,281,576 (2016:RM2,940,888) and RM498,975 (2016: RM85,557) respectively.

The carrying amount of property, plant and equipment held under finance lease of the Group and of the Company at the reporting date were RM689,482 (2016: RM1,990,449) and RM436,687 (2016: RM521,224) respectively.

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

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

17. Land use rights

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
At beginning of year	30,282,505	28,651,133	677,856	468,719
Additions	38,295	737,248	-	233,864
Reclassified from property development cost (Note 27)	-	233,864	-	-
Amortisation for the year	(1,126,192)	(1,044,666)	(26,785)	(24,727)
Exchange differences	1,424,306	1,704,926	-	-
At end of year	30,618,914	30,282,505	651,071	677,856
Amount to be amortised:				
- Not later than one year	1,126,192	1,044,666	26,785	24,727
- Later than one year but not later than five years	4,504,768	4,178,664	107,140	98,908
- Later than five years	24,987,954	25,059,175	517,146	554,221

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.

The Group and the Company have assessed and classified land use rights of the Group and of the Company as finance leases based on the extent to which risks and rewards incidental to ownership of the land resides with the Group and the Company arising from the lease term. Consequently, the Group and the Company have classified the unamortised upfront payment for land use rights as finance leases in accordance with FRS 117 *Leases*.

18. Biological assets

	Group	
	2017 RM	2016 RM
Plantation development expenditure		
Cost		
At beginning of year:	17,509,114	16,862,127
Additions	8,425,098	13,215,239
Transfer to plasma plantation receivables	(55,404)	(319,891)
Exchange differences	1,329,062	1,227,495
Allowance for impairment	-	(13,475,856)
Reversal of allowance for impairment	6,750,825	-
At end of financial year	33,958,695	17,509,114

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

18. Biological assets (cont'd)

(a) The new planting expenditure includes all expenses incurred in connection with the development of the Group's oil palm plantations.

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.

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 financial year in which the expenditure is incurred.

(b) Included in oil palm planting expenditure incurred during the financial year are:

		Group	
	Note	2017 RM	2016 RM
Depreciation of property, plant and equipment	16	1,581,652	879,076
Interest on advances	9	-	181,714
Employee benefits expense	12	3,101,096	4,368,536

(c) During the financial year, the Group incurred plantation development expenditure with an aggregate cost of RM8,425,098 (2016: RM13,215,239) as follows:

		Group	
	Note	2017 RM	2016 RM
Interest capitalised under oil palm planting expenditure	9	-	181,714
Depreciation of property, plant and equipment capitalised under oil palm planting expenditure	16	1,581,652	879,076
Cash payments made for oil palm planting expenditure		6,843,446	12,154,449
		8,425,098	13,215,239

(d) During the financial year, the Group carried out a review of the recoverable amount of its biological assets. The review led to the recognition of a reversal of impairment of RM6.75 million which was due to the implementation of the plantation improvement plan.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

19. Investment properties

	Group		
	30.6.2017 RM	**30.6.2016 RM (Restated)**	**1.7.2015 RM (Restated)**
Fair value:			
At beginning of year	64,500,000	64,500,000	25,979,188
Prior year adjustments (Note 42)	-	-	38,520,812
Transferred to property development costs (Note 27)	(33,200,000)	-	-
At end of financial year	31,300,000	64,500,000	64,500,000
Net carrying amount at end of year	31,300,000	64,500,000	64,500,000

(a) Effective from 1 October 2016, the Group changed its accounting policy on the measurement of investment properties from cost model to fair value model as permitted by FRS 140 *Investment Property* which was due to the Group believed the change in accounting policy was preferable as the change resulted in the financial statements providing reliable and more relevant information about the value of assets. Retrospective adjustments were made to reflect the change in accounting policy as disclosed in Note 42 to the financial statements.

(b) Fair value is arrived by using the comparison method by reference to recent transactions involving other similar properties in the vicinity and is performed by the registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

(c) The fair value of investment properties of the Group are categorised as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2017				
Freehold land	-	31,300,000	-	31,300,000

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2016 (Restated)				
Freehold land	-	64,500,000	-	64,500,000

(i) There were no transfers between Level 1 and Level 2 fair value measurements during the financial years ended 30 June 2017 and 30 June 2016.

(ii) As at 30 June 2017, the valuation of investment properties at Level 2 fair value amounting to RM31,300,000 were recommended by the Directors based on an indicative market value from the valuation exercise carried out on an open market value basis by an external and independent property valuer, Jordan Lee & Jaafar (S) Sdn. Bhd., having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, and who is a member of The Institution of Surveyors Malaysia.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

19. Investment properties (cont'd)

(c) The fair value of investment properties of the Group are categorised as follows: (cont'd)

(iii) The valuations were made based on comparison method that makes reference to recent sales transactions of similar properties in the same locality on a price per square foot basis.

(iv) The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use.

20. Intangible assets

	Group	
	2017 RM	**2016 RM**
Construction rights		
Cost		
At 1 July/ 30 June	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. 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.

Amortisation on construction rights not provided as the project is yet commenced as at the reporting date.

21. Investments in subsidiaries

	Company	
	2017 RM	**2016 RM**
Unquoted shares at cost	70,747,454	68,581,641
Less: Accumulated impairment losses	(32,264,678)	(32,210,042)
At 30 June	38,482,776	36,371,599

Investments in subsidiaries are measured at cost. Non-controlling interests are measured at their proportionate share of the net assets of subsidiaries, unless another measurement basis is required by FRSs.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

Details of subsidiaries held by the Company are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2017 %	2016 %	Proportion ownership by non-controlling interest 2017 %	2016 %
Held by the Company:						
Tanah Emas Construction Sdn. Bhd.	Malaysia	Provision of general construction and civil works	100	100	-	-
Ladang Tunas Hijau Sdn. Bhd.	Malaysia	Dormant	100	100	-	-
Sparkle Selections Sdn. Bhd.	Malaysia	Property development	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	-	-
GL Wawasan Gemilang Sdn. Bhd. (formerly known as Mid Town Property Management Sdn. Bhd.)	Malaysia	Investment holding	100	100	-	-
Putatan Emas Sdn. Bhd.	Malaysia	Property development	100	100	-	-
Mirabumi Sdn. Bhd.	Malaysia	Investment holding	100	100	-	-
Absolute Synergy Limited	British Virgin Island	Investment holding	100	100	-	-
Shinny Yield Holdings Limited	British Virgin Island	Investment holding	100	100	-	-
PT Golden Land Gemilang [iv]	Indonesia	Provision of management services	100	-	-	-
Golden Management Services Sdn. Bhd.	Malaysia	Provision of management services	100	-	-	-
Parimo Agri Holding Pte. Ltd. [iii]	Singapore	Investment holding	68.75	68.75	31.25	31.25

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

Details of subsidiaries held by the Company are as follows (cont'd):

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2017 %	Proportion of ownership interest 2016 %	Proportion ownership by non-controlling interest 2017 %	Proportion ownership by non-controlling interest 2016 %
Held by the Company: (cont'd)						
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 and construction	60	60	40	40
Perfect Element Plantation Pte Ltd. i	Cambodia	Dormant	100	100	-	-
NWP (Cambodia) Pte. Ltd. i	Cambodia	Dormant	100	100	-	-
Malaysian Palm Plantation Pte Ltd. i	Cambodia	Dormant	100	100	-	-
PT Tasnida Agro Lestari ii	Indonesia	Cultivation of oil palm	95	95	5	5
PT Ampibabo Agro Lestari ii	Indonesia	Cultivation of oil palm	55	55	45	45
PT Agri Toribulu Asri ii	Indonesia	Cultivation of oil palm	55	55	45	45

i In progress of Members' Voluntary Winding Up
ii Audited by BDO member firm
iii Audited by firms other than BDO in Malaysia or BDO member firm
iv The aggregate effective interest in PT Golden Land Gemilang is 100% via interest held by the Company and its wholly-owned subsidiary, GL Wawasan Gemilang Sdn. Bhd.. The interest held by the Company and GL Wawasan Gemilang Sdn. Bhd. are 99.85% and 0.15% respectively.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

(a) Material partly-owned subsidiaries

Summarised financial information of PT Tasnida Agro Lestari, Winapermai Sdn. Bhd., Parimo Agri Holdings 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.	
	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM
Assets and liabilities								
Non-current assets	71,997,279	61,600,840	98,666	126,659	2,137,056	2,029,049	3,916,433	2,763,718
Current assets	5,670,194	11,825,601	9,643,522	8,519,735	189,966	119,175	1,143,318	902,736
Total assets	77,667,473	73,426,441	9,742,188	8,646,394	2,327,022	2,148,224	5,059,751	3,666,454
Current liabilities	83,375,184	74,680,937	13,561,262	12,283,343	3,332,381	2,731,061	7,616,855	4,638,561
Non-current liabilities	231,785	186,826	61,552	80,583	-	-	97,985	48,246
Total liabilities	83,606,969	74,867,763	13,622,814	12,363,926	3,332,381	2,731,061	7,714,840	4,686,807
Net liabilities	(5,939,496)	(1,441,322)	(3,880,626)	(3,717,532)	(1,005,359)	(582,837)	(2,655,089)	(1,020,353)
Equity attributable to owners of the parent	(6,144,262)	(1,848,519)	(2,652,372)	(2,554,516)	(636,263)	(408,693)	(1,503,956)	(639,551)
Non-controlling interests	204,766	407,197	(1,228,254)	(1,163,016)	(369,096)	(174,144)	(1,151,133)	(380,802)
	(5,939,496)	(1,441,322)	(3,880,626)	(3,717,532)	(1,005,359)	(582,837)	(2,655,089)	(1,020,353)

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

(a) Material partly-owned subsidiaries (cont'd)

(ii) Summarised statements of profit or loss and other comprehensive income

	PT Tasnida Agro Lestari		Winapermai Sdn. Bhd.		Parimo Agri Holding Pte. Ltd.		Parigi Plantation Holding Pte. Ltd.	
	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM
Results								
Revenue	-	-	-	-	-	-	-	-
Loss for the year	(3,744,975)	(8,801,496)	(163,094)	(329,157)	(397,117)	(397,130)	(1,593,869)	(701,202)
Other comprehensive (loss)/ income for the year	(753,199)	304,839	-	-	(25,405)	2,134	(40,867)	(4,059)
Total comprehensive loss for the year	(4,498,174)	(8,496,657)	(163,094)	(329,157)	(422,522)	(394,996)	(1,634,736)	(705,261)
Loss attributable to:								
- owners of the parent	(3,553,479)	(8,361,421)	(97,856)	(197,494)	(209,478)	(221,501)	(838,173)	(388,730)
- non-controlling interests	(191,496)	(440,075)	(65,238)	(131,663)	(187,639)	(175,629)	(755,696)	(312,472)
	(3,744,975)	(8,801,496)	(163,094)	(329,157)	(397,117)	(397,130)	(1,593,869)	(701,202)
Other comprehensive (loss)/ income attributable to:								
- owners of the parent	(742,264)	289,597	-	-	(18,092)	1,174	(26,232)	(2,232)
- non-controlling interests	(10,935)	15,242	-	-	(7,313)	960	(14,635)	(1,827)
	(753,199)	304,839	-	-	(25,405)	2,134	(40,867)	(4,059)
Total comprehensive loss attributable to:								
- owners of the parent	(4,295,743)	(8,071,824)	(97,856)	(197,494)	(227,570)	(220,327)	(864,405)	(390,962)
- non-controlling interests	(202,431)	(424,833)	(65,238)	(131,663)	(194,952)	(174,669)	(770,331)	(314,299)
	(4,498,174)	(8,496,657)	(163,094)	(329,157)	(422,522)	(394,996)	(1,634,736)	(705,261)

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

(a) Material partly-owned subsidiaries (cont'd)

(iii) Summarised statements of cash flows

	PT Tasnida Agro Lestari		Winapermai Sdn. Bhd.		Parimo Agri Holding Pte. Ltd.		Parigi Plantation Holding Pte. Ltd.	
	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM
Net cash flows from operating activities	379,994	15,800,040	9,882	395	97,368	1,661,561	988,589	622,263
Net cash flows used in investing activities	(5,550,866)	(10,595,592)	-	(9,488)	(2,948)	(1,992,649)	(999,376)	(850,272)
Net cash flows used in financing activities	-	-	(17,968)	(1,449)	-	-	-	-
Net (decrease)/increase in cash and cash equivalents	(5,170,872)	5,204,448	(8,086)	(10,542)	94,420	(331,088)	(10,787)	(228,009)
Effect of exchange rate changes on cash and cash equivalents	331,353	(367,250)	-	-	977	474	14,468	(29,711)
Cash and cash equivalents at beginning of the year	5,657,652	820,454	9,864	20,406	24,160	354,774	260,157	517,877
Cash and cash equivalents at end of the year	818,133	5,657,652	1,778	9,864	119,557	24,160	263,838	260,157

(b) Incorporation of subsidiaries in current financial year

(i) On 15 December 2016, Golden Land Berhad incorporated a foreign subsidiary, PT Golden Land Gemilang ("PT GLG") with paid up capital of IDR6,500,000,000. Golden Land Berhad held 99.85% interest with a total consideration of IDR6,490,000,000 (RM2,165,713). The subsidiary has yet to commence operations as of 30 June 2017.

(ii) On 20 April 2017, Golden Management Services Sdn. Bhd. ("GMSSB") was incorporated as wholly-owned subsidiary of the Company in Malaysia. GMSSB has issued 100 ordinary shares for total consideration of RM100 as subscriber's shares. The subsidiary has yet to commence operations as of 30 June 2017.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

21. Investments in subsidiaries (cont'd)

(c) Disposal of subsidiaries in previous financial year

In previous 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 previous 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 disposal:	
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

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

22. Investment in an associate

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 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

(a) Investment in an associate is measured at cost in the separate financial statements of the Company and is accounted for using the equity method in the consolidated financial statements.

(b) Details of the associate which was incorporated in Malaysia, are as follows:

Name of associate	Principal activity	Equity interest held 2017 %	2016 %
Tanah Emas Bio-Tech Sdn. Bhd.#	Investment holding	-	49.98

\# The investment in an associate is not material to the Group. Hence, summarised financial information of the associate is not presented.

(c) Tanah Emas Bio-Tech Sdn. Bhd. was dissolved effective on 13 June 2017. The dissolution of Tanah Emas Bio-Tech Sdn. Bhd. is part of the streamlining exercise undertaken by the Group to close down company that ceased operations.

The dissolution of Tanah Emas Bio-Tech Sdn. Bhd. has no financial effect to the Group.

23. Investment in a joint venture

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Unquoted shares at cost	5,000,000	5,000,000	5,000,000	5,000,000
Share of post acquisition losses	(3,980,457)	(202,012)	-	-
At end of year	1,019,543	4,797,988	5,000,000	5,000,000

The Company has 50% equity interest in a jointly-controlled entity, Sinermaju Sdn. Bhd.. The joint venture 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 venture is accounted for using the equity method in the consolidated financial statements. In the Company's separate financial statements, investment in a joint venture is accounted for at cost less impairment losses.

The joint arrangement is structured via separate entities and provide the Group with the rights to the net assets of the entity under the arrangement. Therefore, the entity is classified as joint venture of the Group.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

23. Investment in a joint venture (cont'd)

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

	2017 RM	2016 RM
Assets and liabilities		
Non-current assets	44,205,123	44,253,902
Current assets	363,088	263,511
Current liabilities including amounts due to shareholders RM23,677,353 (2016: RM Nil)	(26,178,071)	(2,404,395)
Non-current liabilities including amounts due to shareholders RM Nil (2016: RM13,765,989)	(16,600,000)	(32,765,989)
Net assets	1,790,140	9,347,029
Results		
Revenue	-	-
(Loss)/Profit for the year	(7,556,890)	2,167,120

Reconciliation of net assets of the joint venture to the carrying amount of the investment in a joint venture is as follows:

	2017 RM	2016 RM
Share of net assets of the joint venture	895,070	4,673,515
Goodwill	124,473	124,473
Carrying amount in the statements of financial position	1,019,543	4,797,988
Contingent liabilities		
Share of a joint venture's contingent liabilities incurred jointly with other investors: - Guaranteed bank facilities	12,000,000	12,000,000

Term loan of the joint venture are secured by:

(i) A corporate guarantee amounting RM12,000,000 from the Company;

(ii) A corporate guarantee amounting RM12,000,000 from joint venture partner;

(iii) Negative pledge;

(iv) First legal charge over the leasehold land of joint venture in District of Kota Kinabalu, Sabah;

(v) Personal guarantee by a Director of the joint venture; and

(vi) Fixed deposit as disclosed in Note 29 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

24. Trade and other receivables

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Current				
Trade receivables				
Third parties	5,244,179	5,299,689	-	-
Amount due from a subsidiary	-	-	-	124,883
	5,244,179	5,299,689	-	124,883
Less: Allowance for impairment	(693,913)	(693,913)	-	-
	4,550,266	4,605,776	-	124,883
Current				
Other receivables				
Amounts due from subsidiaries	-	-	232,971,651	10,083,356
Other deposits	1,415,671	254,349	83,901	49,347
Sundry receivables	16,788,503	73,760,637	16,923,702	72,326,671
Advances to a joint venture	11,823,465	-	11,823,465	-
Interest receivables	326,803	810,956	326,803	810,956
GST and VAT receivables	341,744	1,947,131	530	27,338
	30,696,186	76,773,073	262,130,052	83,297,668
Less: Allowance for impairment				
At beginning of year	-	-	(8,924,705)	(8,924,705)
Charge for the financial year	(205,800)	-	-	-
Reversal of impairment losses	-	-	1,522,950	-
At end of year	(205,800)	-	(7,401,755)	(8,924,705)
	30,490,386	76,773,073	254,728,297	74,372,963
	35,040,652	81,378,849	254,728,297	74,497,846

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

24. Trade and other receivables (cont'd)

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Non-current				
Other receivables				
Deposits and prepayment for acquisition of equity interest in corporations	50,667,797	33,645,395	-	-
Prepayment for obtaining land use rights	60,309,585	51,247,157	52,790,628	43,885,439
Advances to a joint venture partner	15,256,890	15,256,890	11,792,953	10,954,521
Advances to a joint venture	-	6,927,637	-	6,927,637
Amounts due from subsidiaries	-	-	379,865	188,524,889
Plasma plantation receivables	7,748,832	7,029,076	-	-
Sundry receivables	-	27,419,396	-	27,419,396
	133,983,104	141,525,551	64,963,446	277,711,882
Less: Allowance for impairment				
At beginning of year	-	(770,112)	(26,600)	(770,112)
Charge for the financial year	-	-	(353,265)	(26,600)
Written off	-	770,112	-	770,112
At end of year	-	-	(379,865)	(26,600)
	133,983,104	141,525,551	64,583,581	277,685,282
Total trade and other receivables (current and non-current)	169,023,756	222,904,400	319,311,878	352,183,128
Less: Prepayments and non-refundable deposits	(110,977,382)	(84,892,552)	(52,790,628)	(43,885,439)
GST and VAT receivables	(341,744)	(1,947,131)	(530)	(27,338)
Total loans and receivables	57,704,630	136,064,717	266,520,720	308,270,351

Loans and receivables measured at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

24. Trade and other receivables (cont'd)

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 7 to 60 days (2016: 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.

Ageing analysis of trade receivables

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

	Group	
	2017 RM	2016 RM
Neither past due nor impaired	2,098,800	1,780,612
Past due, not impaired		
- 1 to 30 days	-	-
- 31 to 60 days	-	576,490
- 91 to 120 days	-	-
- More than 121 days	2,451,466	2,248,674
	2,451,466	2,825,164
Past due and impaired	693,913	693,913
	5,244,179	5,299,689

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 RM2,451,466 (2016: RM2,825,164) that are past due at the reporting date but not impaired. These balances are unsecured in nature. The management is of the opinion that the receivables could be recovered.

Receivables that are past due and impaired

Trade receivables of the Group that are past due and individually impaired at the end of the reporting period are as follows:

	Group	
	2017 RM	2016 RM
Trade receivables, gross	693,913	693,913
Less: Impairment losses	(693,913)	(693,913)
	-	-

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

24. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Ageing analysis of trade receivables (cont'd)

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to those debtors that exhibit significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The Group reviews its individually significant receivables at the end of each reporting period to assess whether an impairment loss should be recorded in the financial statements. In particular, judgement is required in the identification of doubtful loans, and the estimation of realisation amount (including review of credit worthiness and the past collection history of each receivables) and timing of future cash flows from the doubtful loans when determining the level of impairment loss required.

The Group assesses at the end of the year whether there is objective evidence that a receivable or group of receivables is impaired. A receivable or a group of receivables is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the receivable or group of receivables that can be reliably estimated.

(b) Amounts due from subsidiaries

The advances given to subsidiaries are unsecured, interest-free and payable upon demand in cash and cash equivalents except for amounts due from subsidiaries of RM45,164,780 (2016: RM37,952,022) subject to interest charge at rates ranging from 5.75% to 7.60% (2016: 5.75% to 7.85%) per annum.

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

Deposits and prepayment mainly consist of proceeds given for the acquisition of equity interests in PT Sumber Bumi Serasi amounting to RM44,406,838 (2016: RM33,327,545).

(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

Advances given to joint venture is unsecured, non-interest bearing and to be settled upon demand.

(f) Plasma plantation receivables

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

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

24. Trade and other receivables (cont'd)

(f) Plasma plantation receivables (cont'd)

Advances for plasma plantation projects represent costs incurred for plasma plantation development.

(g) Other receivables that are impaired

At the reporting date, the Group and the Company has provided an allowance of RM205,800 (2016: RM Nil) and RM7,781,620 (2016: RM8,951,305) respectively for impairment of other receivables.

25. Other assets

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Current				
Prepayments	9,518,461	7,068,692	304,954	90,121
Amount due from a customer on contract works	2,335,253	2,416,987	-	-
Accrued billings in respect of property development cost	-	613,186	-	-
	11,853,714	10,098,865	304,954	90,121
Non-current				
Prepayments	3,042,827	1,149,499	-	-
Total	14,896,541	11,248,364	304,954	90,121

Amount due from a customer on contract works

	Group	
	2017 RM	2016 RM
Construction contract costs incurred to date	46,954,063	46,954,063
Foreseeable losses	(1,803,578)	(1,721,844)
	45,150,485	45,232,219
Less: Progress billings	(42,815,232)	(42,815,232)
Due from a customer	2,335,253	2,416,987

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

25. Other assets (cont'd)

	Group	
	2017 RM	2016 RM
Accrued billings in respect of property development cost		
Construction revenue recognised in profit or loss	-	19,874,759
Less: Progress billings recognised as revenue	-	(19,261,573)
	-	613,186

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.

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 a customer on contract works. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to a customer on contract works.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

26. Deferred tax

Deferred tax as at reporting date relates to the following:

Group	At as 1 July 2015 RM (Restated)	Exchange difference RM	Adjustments RM	Recognised in profit or loss (Note 14) RM	Recognised in equity RM	As at 30 June 2016 RM (Restated)	Exchange difference RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income RM	As at 30 June 2017 RM
Deferred tax liabilities:										
Property, plant and equipment and biological assets	303,405	-	212,400	(452,116)	-	63,689	-	9,976	-	73,665
Revaluation of property, plant and equipment and biological assets	-	-	6,966,058	(2,468,024)	(4,498,034)	-	-	-	-	-
Investment properties	7,130,424	-	-	-	-	7,130,424	-	(1,457,371)		5,673,053
	7,433,829	-	7,178,458	(2,920,140)	(4,498,034)	7,194,113	-	(1,447,395)	-	5,746,718

	At as 1 July 2015 RM (Restated)	Exchange difference RM	Adjustments RM	Recognised in profit or loss (Note 14) RM	Recognised in equity RM	As at 30 June 2016 RM (Restated)	Exchange difference RM	Recognised in profit or loss (Note 14) RM	Recognised in other comprehensive income RM	As at 30 June 2017 RM
Deferred tax assets:										
Property, plant and equipment and biological assets	(132,318)	(9,478)	-	(93,852)	-	(235,648)	(11,419)	(554,242)	-	(801,309)
Employee benefits liability	(36,607)	(2,648)	-	(19,513)	-	(58,768)	(3,219)	(24,486)	4,030	(82,443)
Unabsorbed reinvestment allowances	(212,400)	-	-	212,400	-	-	-	-	-	-
Unabsorbed capital and agriculture allowances	(17,769)	-	-	17,769	-	-	-	-	-	-
	(399,094)	(12,126)	-	116,804	-	(294,416)	(14,638)	(578,728)	4,030	(883,752)
	7,034,735	(12,126)	7,178,458	(2,803,336)	(4,498,034)	6,899,697	(14,638)	(2,026,123)	4,030	4,862,966

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

26. Deferred tax (cont'd)

Deferred tax as at reporting date relates to the following: (cont'd)

Company	As at 1 July 2015 RM	Recognised in profit or loss (Note 14) RM	Recognised in equity RM	As at 30 June 2016 RM	Recognised in profit or loss (Note 14) RM	As at 30 June 2017 RM
Deferred tax liabilities:						
Property, plant and equipment and biological assets	261,382	(218,267)	-	43,115	30,550	73,665
Revaluation of property, plant and equipment and biological assets	6,966,058	(2,468,024)	(4,498,034)	-	-	-
	7,227,440	(2,686,291)	(4,498,034)	43,115	30,550	73,665

	Group		Company	
	2017 RM	2016 RM (Restated)	2017 RM	2016 RM
Presented after appropriate offsetting as follows:				
Deferred tax assets	(883,752)	(294,416)	-	-
Deferred tax liabilities	5,746,718	7,194,113	73,665	43,115
	4,862,966	6,899,697	73,665	43,115

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 subsidiaries in which those items arose:

	Group	
	2017 RM	2016 RM
Unutilised tax losses	24,851,194	19,587,069
Unabsorbed capital and agriculture allowances	591,676	702,094
Other deductible temporary differences	-	695,049
	25,442,870	20,984,212

The availability of unutilised tax losses and unabsorbed capital and agriculture allowances for offsetting against future taxable profits of the subsidiaries in Malaysia are subject to no substantial changes in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority. The deductible temporary differences do not expire under the current tax legislation.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

27. Property development costs

Group	Freehold land RM	Development costs RM	Total RM
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 17)	(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
At 1 July 2016	2,072,510	17,581,922	19,654,432
Additions	-	2,220,838	2,220,838
Transferred from investment properties (Note 19)	33,200,000	-	33,200,000
Transferred to inventories	(1,932,870)	(16,851,468)	(18,784,338)
Cost recognised during the year	(139,640)	(706,202)	(845,842)
At 30 June 2017	33,200,000	2,245,090	35,445,090

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

	Note	Group 2017 RM	Group 2016 RM
Depreciation of equipment	16	6,295	23,554
Interest expense	6	-	771,520
Interest expense	9	1,247	6,343
Employee benefits expense	12	149,890	546,217

28. Inventories

	Group 2017 RM	Group 2016 RM
At cost		
Fertilisers and chemicals	439,674	211,803
Store, spares and consumable supplies	52,963	100,254
Oil palm seedlings	2,967,199	2,638,900
Shoplots	17,541,430	-
	21,001,266	2,950,957

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

28. Inventories (cont'd)

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:

- 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.
- Shoplots: cost of land and attributable construction cost.

There were no inventories stated at net realisable value as at 30 June 2017 and 2016.

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM1,360,156 (2016: RM412,626).

29. Cash and bank balances

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Cash at banks and on hand	4,302,192	16,865,764	2,209,555	9,399,485
Deposits with licensed banks	146,494,773	257,709,025	144,562,773	257,709,025
Cash and bank balances	150,796,965	274,574,789	146,772,328	267,108,510

Deposits are made for varying periods of between 1 day and 3 months (2016: 1 day and 1 month) on a renewable basis at maturity dates. The interest rates as at 30 June 2017 for the Group were ranging from 3.07% to 6.50% (2016: 2.60% to 4.05%).

Deposits with a licensed bank of the Group and of Company amounting to RM6,452,626 (2016: RM6,222,397) and RM6,452,626 (2016: RM6,222,397) are pledged as securities for the borrowing facility utilised by the joint venture (Note 23).

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Cash and short term deposit	150,796,965	274,574,789	146,772,328	267,108,510
Deposit with a licensed bank pledged to bank	(6,452,626)	(6,222,397)	(6,452,626)	(6,222,397)
Cash and cash equivalents	144,344,339	268,352,392	140,319,702	260,886,113

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

29. Cash and bank balances (cont'd)

The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Ringgit Malaysia ("RM")	147,456,931	268,604,861	146,772,328	267,108,510
Indonesian Rupiah ("IND")	3,303,747	5,929,532	-	-
United States Dollar ("USD")	29,062	27,960		
Singapore Dollar ("SGD")	7,225	12,436	-	-
	150,796,965	274,574,789	146,772,328	267,108,510

30. Loans and borrowings

	Maturity	Group		Company	
		2017 RM	2016 RM	2017 RM	2016 RM
Current					
Secured:					
Obligations under finance leases (Note 37(c))	within one year	142,939	559,936	91,126	86,445
Non-current					
Secured:					
Obligations under finance leases (Note 37(c))	2019 - 2021	395,666	1,100,851	212,281	303,407
		538,605	1,660,787	303,407	389,852

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
On demand or within one year	142,939	559,936	91,126	86,445
More than 1 year and less than 2 years	150,432	436,183	95,809	91,126
More than 2 years and less than 5 years	245,234	664,668	116,472	212,281
	538,605	1,660,787	303,407	389,852

Borrowings are classified as other financial liabilities, and measured at amortised cost using the effective interest method.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

30. Loans and borrowings (cont'd)

Obligation under finance leases
These obligations were secured by a charge over the lease assets (Note 16). The average discount rate implicit in the leases was 4.92% p.a. (2016: 5.43% p.a.). These obligations were denominated in RM.

31. Trade and other payables

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Trade payables				
Third parties	1,483,921	2,250,774	-	-
Other payables				
Accruals	18,343,671	20,548,326	15,991,580	18,998,882
Sundry payables	3,251,957	4,389,841	959,910	882,301
GST payables	100,634	25,601	-	-
	21,696,262	24,963,768	16,951,490	19,881,183
Total trade and other payables	23,180,183	27,214,542	16,951,490	19,881,183
Less: GST payables	(100,634)	(25,601)	-	-
Other financial liabilities	23,079,549	27,188,941	16,951,490	19,881,183

Trade and other payables are classified as other financial liabilities, and measured at amortised cost using the effective interest method.

(a) Trade payables

Trade payables are non-interest bearing. Trade payables are normally settled on 30 to 90 days (2016: 30 to 90 days) terms.

(b) Financial guarantees

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

- The likehood 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; and
- 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.

The fair value of financial guarantees provided by the Company to the banks to secure banking/credit facilities granted to its subsidiaries with nominal amount of RM100,000 (2016: RM1,100,000) 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 property, plant and equipment of the subsidiary which their market values upon realisation are higher than the outstanding loan and borrowings amounts.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

32. Estimated liabilities for post-employment benefit

The amount of estimated liabilities for post-employment benefit is in respect of an Indonesian subsidiaries 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 38 employees (2016: 46 employees) eligible for such post-employment benefits.

The details of estimated post-employment benefit expenses for the financial year ended 30 June 2017 and 2016 are as follows:

	Group	
	2017 RM	2016 RM
Current service cost	116,152	59,245
Exchange difference	12,868	10,596
Actuarial (gain)/loss	(34,325)	18,811
	94,695	88,652

The estimated post-employment benefit expenses are presented as part of administrative expenses in the statements of profit or loss and other comprehensive income.

Changes in the estimated liabilities for post-employment benefits as of 30 June 2017 and 2016 are as follows:

	Group	
	2017 RM	2016 RM
At beginning of year	235,075	146,423
Benefit expenses - current period	94,695	88,652
At end of year	329,770	235,075

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

	Group	
	2017	2016
Normal Pension Age	55 years	55 years
Annual Discount Rate	7.2% - 7.8%	8.0% - 8.1%
Annual Salary Increment Rate	8%	8%

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

32. Estimated liabilities for post-employment benefit (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 benefit obligation Increase/(Decrease) Group	
		2017 RM	2016 RM
Discount rate	+ 1% (2016: +1%)	297	213
	- 1% (2016: -1%)	(367)	(261)
Future salary	+ 1% (2016: +1%)	367	261
	- 1% (2016: -1%)	(297)	(213)

33. Share capital, share premium and treasury shares

	Number of ordinary shares		<----------------- Amount ------------------->			
	Share capital (issued and fully paid)	Treasury share	Share capital (issued and fully paid) RM	Share premium RM	Total share capital and share premium RM	Treasury shares RM
At 1 July 2015	222,912,569	(6,633,400)	222,912,569	17,949,950	240,862,519	(5,367,225)
Purchase of 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)
Purchase of shares	-	(456,400)	-	-	-	(275,786)
Transaction costs	-	-	-	-	-	(1,800)
Capital repayment	-	-	(167,184,428)	-	(167,184,428)	4,990,050
Effects of the new Companies Act, 2016	-	-	17,949,950	(17,949,950)	-	-
At 30 June 2017	222,912,569	(7,109,800)	73,678,091	-	73,678,091	(685,989)

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

33. 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.

With the introduction of the new Companies Act, 2016 ("the Act") effective 31 January 2017, the concept of authorised share capital and par value of share capital has been abolished. Consequently, balances within the share premium account have been transferred to the share capital account pursuant to the transitional provisions set out in Section 618(2) of the new Act. Notwithstanding this provision, the Company may utilise its share premium account of RM17,949,950 for the purposes stipulated in Section 618(3) of the new Act for a transitional period of 24 months from 31 January 2017. There is no impact on the number of ordinary shares in issue or the relative entitlement of any of the member as a result of this transition.

During the financial year, the Company completed the capital repayment upon payment of RM162,194,378 to its shareholders on 12 July 2016.

(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 127(4)(b) of the Companies Act, 2016.

During the financial year, the Company repurchased 456,400 (2016: 20,000) of its issued ordinary shares from the open market at an average price of RM0.604 (2016: RM1.55) per share. The total consideration paid for the repurchase including transaction costs was RM277,586 (2016: RM31,228).

Of the total 222,912,569 (2016: 222,912,569) issued and fully paid ordinary shares as at 30 June 2017, 7,109,800 (2016: 6,653,400) are held as treasury shares by the Company. As at 30 June 2017, the number of outstanding ordinary shares in issue and fully paid is therefore 215,802,769 (2016: 216,259,169) ordinary shares.

34. 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.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

35. Discontinued operations 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 results of the disposal group for the financial year ended 30 June 2016 are as follows:

	Group RM	Company RM
Revenue	103,326,964	4,960,007
Cost of sales	(75,259,310)	(2,079,197)
Gross profit	28,067,654	2,880,810
Interest income	8,342	-
Other income	692,371	-
Marketing and distribution expenses	(1,377,653)	-
Administrative expenses	(3,419,534)	-
Finance cost	(2,462,352)	(166,005)
Profit before tax from discontinued operation	21,508,828	2,714,805
Income tax expense	(5,175,205)	(359,351)
Profit from discontinued operation, net of tax	16,333,623	2,355,454

<u>Statement of cash flows disclosures</u>

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

	Group 2016 RM
Operating	80,926,575
Investing	6,256,609
Financing	(77,084,337)
Net cash inflows	10,098,847

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

36. Dividends

	Group and Company 2016	
	Dividend per ordinary share Sen	**Amount of dividend RM**
In respect of financial year ended 30 June 2016		
- Special single-tier dividend	13	28,114,991

The Directors do not recommend any payment of final dividend in respect of the current financial year. On 24 August 2017, the Directors declared a first interim single tier dividend of 1 sen per ordinary share amounting to RM2,145,238 in respect of the financial year ending 30 June 2018, which will be payable on 28 September 2017.

37. Commitments

(a) Capital commitments

Capital expenditure commitments as at the end of the reporting period are as follows:

	Group		Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Capital expenditure:				
Approved and contracted for:				
Investments in subsidiaries	39,775,585	62,414,778	39,775,585	62,414,778
Obtaining land use rights	21,641,948	20,293,828	21,641,948	20,293,828
	61,417,533	82,708,606	61,417,533	82,708,606
Approved but not contracted for:				
Buildings	3,073,113	6,814,962	-	-
Furniture, fittings and equipment	1,389,700	731,207	300,000	500,000
Heavy equipment and motor vehicles	6,068,362	5,419,498	-	-
Biological assets	55,454,854	54,389,275	-	-
	65,986,029	67,354,942	300,000	500,000
	127,403,562	150,063,548	61,717,533	83,208,606

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

37. Commitments (cont'd)

(b) Operating lease commitments - as lessee

Details of land use rights and the amortisation of land use rights recognised in profit or loss for the financial year ended 30 June 2017 and 2016 are disclosed in Note 17 to the financial statements.

The Group and the Company had entered into non-cancellable lease agreements for office premises, resulting in future rental commitments which can, subject to certain terms in the agreements, be revised annually based on prevailing market rates. The Group and the Company has aggregate future minimum lease commitments as at the end of the reporting period as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Not later than one (1) year	147,100	208,950	79,200	143,550
Later than one (1) year and not later than five (5) years	19,800	166,900	19,800	99,000
	166,900	375,850	99,000	242,550

(c) Finance lease commitments

The Group and the Company have finance leases for certain items of heavy equipment and motor vehicles (Note 16). These leases do not have terms of renewal, but have purchase options at nominal at the end of the lease term.

The fair values of the finance lease commitments are estimated by discounting expected future cash flows at market incremental leading rate for similar types of lending, borrowings or leasing arrangements at the reporting date.

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

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Minimum lease payments:				
Not later than 1 year	166,164	640,381	103,908	103,908
Later than 1 year and not later than 2 years	166,164	485,908	103,908	103,908
Later than 2 year and not later than 5 years	256,504	700,336	120,780	224,688
Total minimum lease payments	588,832	1,826,625	328,596	432,504
Less: Amounts representing finance charges	(50,227)	(165,838)	(25,189)	(42,652)
Present value of minimum lease payments	538,605	1,660,787	303,407	389,852

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

37. Commitments (cont'd)

(c) Finance lease commitments (cont'd)

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows: (cont'd)

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Present value of payments:				
Not later than 1 year	142,939	559,936	91,126	86,445
Later than 1 year and not later than 2 years	150,432	436,183	95,809	91,126
Later than 2 year and not later than 5 years	245,234	664,668	116,472	212,281
Present value of minimum lease payments	538,605	1,660,787	303,407	389,852
Less: Amount due within 12 months (Note 30)	(142,939)	(559,936)	(91,126)	(86,445)
Amount due after 12 months (Note 30)	395,666	1,100,851	212,281	303,407

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:

	2017 RM	2016 RM
Group		
Transactions with a company in which Yap Phing Cern, Yap Fei Chien and a family member of both have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	143,550	179,000
- Purchase of fresh fruit bunches	-	60,789
- Sublease rental income	-	328
Transaction with a company in which Yap Phing Cern and Yap Fei Chien have financial interests:		
Suri Warisan Sdn. Bhd.		
- Sale of properties	2,200,000	-
Transactions with a company in which Oh Kim Sun and Tang Weihann have financial interests:		
Agromate (M) Sdn. Bhd.		
- Purchase of fertilisers	-	2,181,980

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

38. Related party transactions (cont'd)

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

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: (cont'd)

	2017 RM	2016 RM
Company		
Transaction with a company in which Yap Phing Cern, Yap Fei Chien and a family member of both have financial interests:		
Riwagu Property Sdn. Bhd.		
- Rental paid	143,550	72,600
Transactions with subsidiaries:		
Sparkle Selections Sdn. Bhd.		
- Interest income on advances	-	32,996
Tanah Emas Oil Palm Processing Sdn. Bhd.		
- Sale of fresh fruit bunches	-	4,960,007
- Management fee income	-	581,125
- Dividend income	-	5,858,863
- Interest income on advances	-	20,653
- Interest expense on advances	-	351,356
Yapidmas Plantation Sdn. Bhd.		
- Management fee income	-	270,325
- Plantation management fee	-	276,642
- Dividend income	-	1,166,405
- Interest income on advances	-	204,836
- Interest expense on advances	-	613,752
Ladang Kluang Sdn. Bhd.		
- Management fee income	-	99,600
- Dividend income	-	1,214,561
- Interest expense on advances	-	97,236
Sri Kehuma Sdn. Bhd.		
- Management fee income	-	132,700
- Dividend income	-	601,644
- Interest income on advances	-	57,092
- Interest expense on advances	-	63,992
Ladang Tunas Hijau Sdn. Bhd.		
- Dividend income	400,000	-

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

38. Related party transactions (cont'd)

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

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: (cont'd)

	2017 RM	2016 RM
Company		
Transactions with subsidiaries (cont'd):		
Tanah Emas Construction Sdn. Bhd.		
- Management fee income	16,230	63,875
- Interest income on advances	22,635	101,797
- General contract work	-	178,572
Tanah Emas Properties Sdn. Bhd.		
- Interest income on advances	798,744	714,126
- Management fee income	36,915	30,275
- Sale of land for property development	500,507	1,161,352
Winapermai Sdn. Bhd.		
- Interest income on advances	697,651	667,285
PT Ampibabo Agro Lestari		
- Interest income on advances	160,413	110,391
PT Agri Toribulu Asri		
- Interest income on advances	359,757	143,575
GL Green Resources Sdn. Bhd.		
- Interest income on advances	527,440	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	
	2017 RM	2016 RM	2017 RM	2016 RM
Short-term employee benefits	5,361,547	5,679,163	4,380,767	2,785,182
Benefits-in-kind	5,313	5,410	5,313	5,410
	5,366,860	5,684,573	4,386,080	2,790,592

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

39. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has reportable operating segments as follows:

(i) The Sabah plantation and mill segment is in the business of cultivation of oil palm, processing of crude palm oil and palm kernel. This segment had been classified as discontinued operations in the previous financial year.

(ii) The plantation segment is in the business of cultivation of oil palm.

(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 segments have 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.

Unallocated items comprise tax assets and liabilities, corporate assets and liabilities and expenses, if any.

Major customers

Revenue from transactions with major customers who individually accounted for 10% or more of the Group revenue is as follows:

	Revenue		Segment
	2017	**2016**	
	RM	**RM**	
Customer A	2,200,000	-	Property development
Customer B	-	4,304,324	Property development
Customer C	-	1,164,069	Property development

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

39. Segment information (cont'd)

39.1 Operating segments

	Sabah plantation and mill (Discontinued)		Plantation		Property development		Others		Adjustments and eliminations			Per consolidated financial statements	
	2017 RM	2016 RM	2017 RM	2016 RM	2017 RM	2016 RM (Restated)	2017 RM	2016 RM (Restated)	2017 RM	2016 RM (Restated)	Notes	2017 RM	2016 RM (Restated)
Revenue													
External customers	-	103,326,964	-	-	3,642,979	6,907,887	616,867	1,973,333	-	(103,326,964)	(a)	4,259,846	8,881,220
Inter-segment	-	-	-	-	-	-	453,145	10,019,373	(453,145)	(10,019,373)	(b)	-	-
Total revenue	-	103,326,964	-	-	3,642,979	6,907,887	1,070,012	11,992,706	(453,145)	(113,346,337)		4,259,846	8,881,220
Results													
Interest income	-	-	23,234	31,106	8,840	-	6,802,847	5,897,460	-	-		6,834,921	5,928,566
Depreciation and amortisation	-	-	1,410,401	563,612	72,265	9,746	737,116	1,903,417	-	-		2,219,782	2,476,775
Other non-cash income	-	-	6,750,825	-	-	-	8,549,808	966,161	-	-	(c)	15,300,633	966,161
Other non-cash expenses	-	4,148	205,800	14,108,282	-	-	561,060	4,804,058	-	(4,148)	(d)	766,860	18,912,340
Segment profit/ (loss)	-	21,508,828	509,690	(19,333,253)	857,935	1,600,026	4,143,748	97,552,092	(3,843,238)	(24,049,564)	(e)	1,668,135	77,278,129
Assets:													
Additions to non-current assets	-	-	9,201,338	16,761,811	215,567	109,488	503,564	382,076	-	-	(f)	9,920,469	17,253,375
Segment assets	-	-	103,956,250	91,999,444	70,920,405	60,341,320	339,601,775	524,391,301	5,817,639	4,232,369	(g)	520,296,069	680,964,434
Segment liabilities	-	-	2,843,375	11,133,411	3,293,657	3,654,556	17,372,921	12,661,650	6,285,323	8,854,900	(h)	29,795,276	36,304,517

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

39. Segment information (cont'd)

39.1 Operating segments (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 statements of profit or loss and other comprehensive income as they are presented separately in the statements of profit or loss and other comprehensive income within one item, "profit from discontinued operations, net of tax".

(b) Inter-segment revenue is eliminated on consolidation.

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

	2017 RM	2016 RM
Gain on fair value of financial assets	5,879,044	169,852
Gain on disposal of property, plant and equipment	2,670,764	796,309
Reversal of impairment on biological assets	6,750,825	-
	15,300,633	966,161

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

	2017 RM	2016 RM
Allowance for impairment loss on biological assets	-	13,475,856
Loss on fair value of financial assets	-	4,691,434
Allowance for impairment on trade and other receivables	205,800	-
Bad debts written off	-	51,579
Loss on disposal of property, plant and equipment	-	4,850
Other receivables written off	525,864	-
Plant and equipment scrapped	13,189	755
Inventories written off	22,007	632,426
Inventories written down	-	55,440
	766,860	18,912,340

(e) The following items are deducted from segment profit to arrive at "Profit before tax from continuing operations" presented in the statements of profit or loss and other comprehensive income:

	2017 RM	2016 RM
Finance costs	64,793	3,624,296
Segment results of discontinued operations	-	21,508,828
Share of results of joint venture	3,778,445	(1,083,560)
	3,843,238	24,049,564

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

39. Segment information (cont'd)

39.1 Operating segments (cont'd)

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

	2017 RM	2016 RM
Property, plant and equipment	1,457,076	3,300,888
Biological assets	8,425,098	13,215,239
Land use rights	38,295	737,248
	9,920,469	17,253,375

(g) The following unallocated items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2017 RM	2016 RM
Deferred tax assets	883,752	294,416
Tax recoverable	1,505,662	716,284
Corporate assets	3,428,225	3,221,669
	5,817,639	4,232,369

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

	2017 RM	2016 RM
Deferred tax liabilities	5,746,718	7,194,113
Loans and borrowings	538,605	1,660,787
	6,285,323	8,854,900

39.2 Geographical information

The Group's revenue is entirely derived from Malaysia. Currently, the plantation in Indonesia is immature. Therefore, no revenue is generated during the year.

For the purpose of disclosing geographical information, non-current assets are based on the geographical location of the assets. Non-current assets do not include deferred tax assets and financial instruments.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

39. Segment information (cont'd)

39.2 Geographical information (cont'd)

	Group	
	2017 RM	2016 RM
Non-current assets		
Malaysia	54,332,907	92,037,094
Indonesia	72,410,130	56,583,698
	126,743,037	148,620,792

Reconciliation of non-current assets, other than financial instruments and deferred tax assets to the total non-current assets are as follows:

	Group	
	2017 RM	2016 RM
Non-current assets other than financial instruments and deferred tax assets	126,743,037	148,620,792
Other receivables	133,983,104	141,525,551
Other assets	3,042,827	1,149,499
Deferred tax assets	883,752	294,416
	264,652,720	291,590,258

40. Financial instruments

(a) 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 shareholders 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 financial years ended 30 June 2017 and 30 June 2016.

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%.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

40. Financial instruments (cont'd)

(a) Capital management (cont'd)

The calculations of the Group's and Company's gearing ratios are as follows:

	Group		Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Trade and other payables (Note 31)	23,180,183	27,214,542	16,951,490	19,881,183
Loans and borrowings (Note 30)	538,605	1,660,787	303,407	389,852
Less: Cash and bank balances (Note 29)	(150,796,965)	(274,574,789)	(146,772,328)	(267,108,510)
Net cash	(127,078,177)	(245,699,460)	(129,517,431)	(246,837,475)
Equity attributable to the owners of the parent	493,044,510	645,970,682	497,523,699	644,629,464
Capital and net cash	365,966,333	400,271,222	368,006,268	397,791,989
Gearing ratio	Nil	Nil	Nil	Nil

(b) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Fair value, which is determined for disclosure purposes, is calculated based on the present value of non-derivative financial liabilities of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For other borrowings, the market rate of interest is determined by reference to similar borrowing arrangements.

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

40. Financial instruments (cont'd)

(b) Fair value hierarchy (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	
2017	**Carrying amount RM**	**Fair value RM**	**Carrying amount RM**	**Fair value RM**
Financial liabilities:				
Loans and borrowings (non-current)				
- obligations under finance leases	395,666	367,164	212,281	198,106
2016				
Financial liabilities:				
Loans and borrowings (non-current)				
- obligations under finance leases	1,100,851	952,679	303,407	258,946

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-prices to market interest rates on or near the reporting date.

(c) 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 liabilities as at 30 June 2017:

	Fair value measurement using	
Group	**Total RM**	**Significant observable inputs (Level 2) RM**
Liabilities for which fair values are disclosed:		
Loans and borrowings		
- Obligations under finance leases	(367,164)	(367,164)
Company		
Liabilities for which fair values are disclosed:		
Loans and borrowings		
- Obligations under finance leases	(198,106)	(198,106)

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

40. Financial instruments (cont'd)

(c) 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 liabilities as at 30 June 2016:

	Fair value measurement using	
Group	**Total RM**	**Significant observable inputs (Level 2) RM**
Liabilities for which fair values are disclosed:		
Loans and borrowings		
- Obligations under finance leases	(952,679)	(952,679)
Company		
Liabilities for which fair values are disclosed:		
Loans and borrowings		
- Obligations under finance leases	(258,946)	(258,946)

41. Financial risk management objectives and policies

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

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

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

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

(i) 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.

Notes to the Financial Statements
For the Financial Year Ended 30 June 2017 (cont'd)

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

(i) Credit risk (cont'd)

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 RM100,000 (2016: RM1,100,000) 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	2017 RM	2017 % of total	2016 RM	2016 % of total
By industry sector:				
Others (Note 24)	2,451,466	54%	2,248,674	49%

The Company has no significant concentration of credit risks except for the amounts due from subsidiaries constituting 70.6% (2016: 53.9%) of total receivables of the Company.

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 24 to the financial statements. 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 credit enhancements for trade and other receivables and credit risk concentration profiles has been disclosed in Note 24 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

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

(ii) 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 27% (2016: 34%) of the Group's loans and borrowings and approximately 30% (2016: 22%) 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.

<u>Analysis of financial instruments by remaining contractual maturities</u>

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:

2017 Group	On demand or within one year RM	One to five years RM	Total RM
Financial liabilities:			
Trade and other payables	23,079,549	-	23,079,549
Loans and borrowings	142,939	422,668	565,607
Total undiscounted financial liabilities	23,222,488	422,668	23,645,156
2016			
Financial liabilities:			
Trade and other payables	27,188,941	-	27,188,941
Loans and borrowings	559,936	1,186,244	1,746,180
Total undiscounted financial liabilities	27,748,877	1,186,244	28,935,121

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

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

(ii) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (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)

2017 Company	On demand or within one year RM	One to five years RM	Total RM
Financial liabilities:			
Trade and other payables	16,951,490	-	16,951,490
Loans and borrowings	91,126	224,688	315,814
Total undiscounted financial liabilities	17,042,616	224,688	17,267,304
2016			
Financial liabilities:			
Trade and other payables	19,881,183	-	19,881,183
Loans and borrowings	86,445	328,596	415,041
Total undiscounted financial liabilities	19,967,628	328,596	20,296,224

(iii) 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 and deposits with licensed banks.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

Sensitivity analysis for interest rate risk

As at 30 June 2017, if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM249,072 higher/lower, arising mainly as a result of higher/lower interest income on floating rate deposits with licensed banks. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

As at 30 June 2016, 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 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.

(iv) 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 assets and liabilities of the principal subsidiaries operating in Indonesia are denominated in Indonesian Rupiah ("IDR"). This together with its expected cash flows from anticipated transactions which are also denominated in IDR give rise to foreign exchange exposures to the Group.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

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

(iv) Foreign currency risk (cont'd)

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposed. At the reporting date, such foreign currency balances (mainly in USD, IDR and SGD) amounted to RM29,062, RM3,303,747, and RM7,225 (2016: RM27,960, RM5,929,532 and RM12,436) respectively.

In view of the insignificant financial effect on the Group's and the Company's profit after tax with the possible change in USD, IDR and SGD exchange rate against the functional currencies of the Company and its non-Indonesia subsidiaries, the effect of this sensitivity is not separately disclosed in the financial statements.

The Group does not speculate in foreign currency derivatives and in line with *FRS 7 Financial Instruments: Disclosures*, does not regard its investments in foreign operations/subsidiaries as subject to foreign exchange risk.

42. Prior year adjustments and comparative figures

Change in Accounting Policy on Measurement of Investment Properties from Cost Model to Fair Value Model

With effective from 1st October 2016, the Group changed its accounting policy on the measurement of investment properties from cost model to fair value model as permitted by FRS 140 *Investment Property* which was due to the Group believed the change in accounting policy was preferable as the change resulted in the financial statements providing reliable and more relevant information about the value of assets. The Group chooses the fair value model and shall measure all its investment properties at fair value. Gain or loss arising from changes in fair value of investment properties shall be recognised in profit or loss for the period in which it arises.

Prior to the change in the accounting policy, the Group applied the cost model, which measured all of its investment properties in accordance with FRS 116 *Property, Plant and Equipment*.

The following comparative figures have been restated to conform to the current year's presentation:

Reconciliation of statement of financial position of the Group as at 1 July 2015

	As previously reported RM	Prior year adjustments RM	As restated RM
Investment properties	25,979,188	38,520,812	64,500,000
Retained earnings	75,809,448	31,390,388	107,199,836
Deferred tax liabilities	303,405	7,130,424	7,433,829

43. Significant events during the financial year

(i) On 15 December 2016, Golden Land Berhad incorporated a foreign subsidiary, PT Golden Land Gemilang ("PT GLG") with paid up capital of IDR6,500,000,000. Golden Land Berhad held 99.85% interest with a total consideration of IDR6,490,000,000 (RM2,165,713). The subsidiary has yet to commence operations as of 30 June 2017.

(ii) On 20 April 2017, Golden Management Services Sdn. Bhd. ("GMSSB") was incorporated as a wholly-owned subsidiary of the Company in Malaysia. GMSSB has issued 100 ordinary shares for total consideration of RM100 as subscriber's shares. The subsidiary has yet to commence operations as of 30 June 2017.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

44. Companies Act, 2016

Companies Act, 2016 ("CA2016") was passed on 4 April 2016 by the Dewan Rakyat (House of Representative) and gazetted on 15 September 2016 to replace the Companies Act, 1965. On 26 January 2017, the Minister of Domestic Trade, Co-operatives and Consumerism has appointed 31 January 2017 as the date on which CA2016 comes into operation except Section 241 and Division 8 of Part III of CA2016.

Consequently, the Group and the Company effected the following changes as at 31 January 2017:

(a) Authorised share capital has been removed;
(b) Par or nominal value of ordinary shares have been removed; and
(c) Balances in the share premium account have been transferred into the share capital account.

Notes to the Financial Statements

For the Financial Year Ended 30 June 2017 (cont'd)

45. Supplementary information on realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 30 June 2017 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 or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2017 RM	2016 RM (Restated)	2017 RM	2016 RM
Total retained earnings of the Company and its subsidiaries:				
- Realised	361,172,488	380,113,735	396,381,562	397,216,832
- Unrealised	72,441,301	29,933,249	28,150,035	11,948,566
	433,613,789	410,046,984	424,531,597	409,165,398
Total share of retained earnings from an associate:				
- Realised	(1,971,884)	(1,971,884)	-	-
- Unrealised	(4,398,065)	(4,398,065)	-	-
	(6,369,949)	(6,369,949)	-	-
Total share of retained earnings from joint venture:				
- Realised	(3,980,457)	(3,277,712)	-	-
- Unrealised	-	3,075,700	-	-
	(3,980,457)	(202,012)	-	-
Other: Consolidation adjustments	(15,883,051)	1,248,933	-	-
Retained earnings as per financial statements	407,380,332	404,723,956	424,531,597	409,165,398

List of Properties

Registered Owner	Location	Description	Hectares	Tenure	Age of Building	Carrying Amount As At 30 June 2017 RM'000	Date of revaluation/ acquisition
ESTATES/PLANTATION LAND							
GL Green Resources Sdn Bhd	Kuamut, District of Tongod, Sabah	Cultivated with oil palm	217.794	30 years expiring 2037 to 2042	N/A	6,771	29.07.2015
	Kuamut, District of Tongod, Sabah	Vacant Land	120.754	30 years expiring 2040	N/A	2,357	29.07.2015
PT Tasnida Agro Lestari	Kabaputen Barito Kuala, South Kalimantan Province	Cultivated with oil palm	8,157.960	35 years expiring 2048	N/A	54,111	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	1,090	19.09.2001
Sparkle Selections Sdn Bhd	Lot 20165 & Lot 20166, Mukim 12, Seberang Perai Selatan, Pulau Pinang	Land under development	8.306 ha	Freehold	N/A	33,200	23.09.2016
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	8 years	1,949	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	35 years	582	30.06.2015
	TL077541916, Mile 3 1/2, Jalan Utara,Sandakan, Sabah	Commercial Land	0.323	60 years expiring 2041	N/A	651	29.08.2008
Spectrum 88 Sdn Bhd	PT 39255 Mukim Bukit Raja, Petaling, Selangor	Commercial Land	1.453 ha	Freehold	N/A	31,300	20.09.2017

* Carrying amount consists of land use rights, biological asset and plantation infrastructure development expenditure.

Analysis of Shareholdings

As at 29 September 2017

Issued and fully paid shares	:	RM222,912,569 (including treasury shares of 8,388,800)
Class of shares	:	Ordinary shares of RM0.25 each
Voting rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	% of Total Shareholders	No. of Shareholdings	% of Shareholdings
1 to 99	190	4.09	8,702	0.00
100 to 1,000	1,244	26.78	1,127,710	0.53
1,001 to 10,000	2,362	50.84	10,802,081	5.04
10,001 to 100,000	752	16.19	22,147,722	10.32
100,001 to 10,726,187*	94	2.02	72,241,671	33.68
10,726,188 and above **	4	0.09	108,195,883	50.04
Total	4,646	100.00	214,523,769	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	22.65
2.	Rockwills Trustee Berhad, Yap Phing Cern	21,579,691	10.06
3.	Yap Phing Cern	19,790,392	9.23
4.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Phing Cern	18,236,700	8.50
5.	EB Nominees (Tempatan) Sendirian Berhad Pledged Securities Account for Yap Phing Cern	10,000,000	4.66
6.	RHB Nominees (Asing) Sdn Bhd Exempt An (BP) for RHB Securities Hong Kong Limited A/C Clients	7,618,000	3.55
7.	Agromate Holdings Sdn Bhd	5,871,600	2.74
8.	Syarikat Kuari Sinaran Cemerlang Sendirian Berhad	4,335,800	2.02
9.	Noble Fairview Sdn Bhd	3,157,400	1.47
10.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kok Pin @ Kok Khong	3,009,800	1.40

Analysis of Shareholdings

As at 29 September 2017 (cont'd)

LIST OF THIRTY LARGEST SHAREHOLDERS (cont'd)

	Name	No. of Shares Held	%
11.	Michael Law Kiung Nguong	2,512,800	1.17
12.	Wawasan Elemen Sdn Bhd	2,019,600	0.94
13.	Lee Foot Yin	2,003,038	0.93
14.	Yayasan Guru Tun Hussein Onn	1,900,000	0.89
15.	Yayasan Guru Tun Hussein Onn	1,900,000	0.89
16.	Lau Kueng Suong	1,896,200	0.88
17.	Affin Hwang Nominees (Asing) Sdn Bhd Exempt An for DBS Vickers Securities (Singapore) Pte Ltd	1,888,700	0.88
18.	Yayasan Guru Tun Hussein Onn	1,586,000	0.74
19.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Ho Peng	1,212,900	0.57
20.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chia Hong @ Gan Chia Hong	1,047,900	0.49
21.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited	975,000	0.45
22.	HSBC Nominees (Asing) Sdn Bhd BPSS SIN for Inclusif Value Fund	833,200	0.39
23.	Naluri Setara Sdn Bhd	773,600	0.36
24.	Tan Jing Jeong	690,000	0.32
25.	Cimsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chow Kee Siew	620,000	0.29
26.	Yapp Yen Seam	604,300	0.28
27.	Chan Beng Teik	579,300	0.27
28.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Tai Yen	550,000	0.26
29.	Affin Hwang Nominees (Tempatan) Sdn Bhd Phillip Securities Pte Ltd for Lim Soon Tham	550,000	0.26
30.	Lim Soon Guan	550,000	0.26

Note:

(1) The percentages of the Thirty Largest Shareholders are calculated on the total issued and paid-up capital of the Company excluding a total of 8,388,800 GLBHD shares bought back by the Company and retained as treasury shares.

Analysis of Shareholdings

As at 29 September 2017 (cont'd)

SUBSTANTIAL SHAREHOLDERS

Name	No. of Shares Held Direct Interest	%	Indirect Interest	%
Agromate Holdings Sdn Bhd	54,460,700	25.39	-	-
Yap Phing Cern	69,606,783	32.45	-	-
Oh Kim Sun*	-	-	54,460,700	25.39
Tang Weihann**	-	-	54,460,700	25.39
Total	124,067,483	57.84	108,921,400	50.78

Note:

* *Deemed interested by virtue of his shareholdings in Agromate Holdings Sdn Bhd (through Ideal Force Sdn Bhd).*

** *Deemed interested by virtue of his shareholdings in Tang & Co Sdn Bhd, Agrobulk Holdings Sdn Bhd, and AHSB.*

DIRECTORS' INTERESTS

Name of Director	No. of Shares Held Direct Interest	%	Indirect Interest	%
Yap Phing Cern	69,606,783	32.45	-	-
Yap Fei Chien	346,000	0.16	-	-
Beh Sui Loon	-	-	-	-
Oh Kim Sun*	-	-	54,460,700	25.39
Tan Teck Kiong	-	-	-	-
Lim Saw Imm	-	-	-	-
Tang Weihann**	-	-	54,460,700	25.39

Note:

* *Deemed interested by virtue of his shareholdings in Agromate Holdings Sdn Bhd (through Ideal Force Sdn Bhd).*

** *Deemed interested by virtue of his shareholdings in Tang & Co Sdn Bhd, Agrobulk Holdings Sdn Bhd, and AHSB.*

Notice of Twenty-Third Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting of the Company will be held at Lankayan Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah on Thursday, 9 November 2017 at 9.30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 30 June 2017 together with the Reports of the Directors and Auditors thereon. *(Please refer to Note C)*

2. To approve the payment of Directors' Fees of RM205,839 for the financial year ended 30 June 2017. *(Ordinary Resolution 1)*

3. To approve the payment of proposed Directors' Fees of up to RM400,000 for the financial year ending 30 June 2018. *(Ordinary Resolution 2)*

4. To approve the payment of the Directors' benefits (excluding Directors' fees) of up to RM30,000 from 1 February 2017 until the next Annual General Meeting of the Company. *(Ordinary Resolution 3)*

5. To re-elect Ms Yap Fei Chien, who is retiring in accordance with Article 124 of the Company's Articles of Association, and who is being eligible, offer herself for re-election. *(Ordinary Resolution 4)*

6. To re-elect Mr Beh Sui Loon, 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 5)*

7. To re-elect Ms Lim Saw Imm, who is retiring in accordance with Article 127 of the Company's Articles of Association, and who is being eligible, offer herself for re-election. *(Ordinary Resolution 6)*

8. To appoint Messrs BDO as Auditors and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 7)*

AS SPECIAL BUSINESS

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

ORDINARY RESOLUTIONS

9. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

   "THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, 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 8)*

Notice of Twenty-Third Annual General Meeting (cont'd)

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

"THAT, subject to the Companies Act 2016 ("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 11 October 2017 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-Third 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-Fourth AGM of the Company) is required to be held pursuant to the Section 340(4) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(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 9)*

Notice of Twenty-Third Annual General Meeting (cont'd)

11. 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 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 2016, 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 2017, the retained profits (at Company level) was RM424,531,597.

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 10)*

BY ORDER OF THE BOARD

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

Date: 11 October 2017
Selangor

Notice of Twenty-Third Annual General Meeting (cont'd)

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 exercise all or any of his rights to attend, participate, speak and vote pursuant to Section 334 of the Companies Act, 2016. There shall be no restriction as to the qualification of the proxy. A proxy may but need not be a member of the Company. 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. There shall be no restriction to the number of proxies. Where a member appoints more than one (1) proxy, such appointment shall be invalid unless he specifies 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 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 3 November 2017.

B) Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice shall be vote by way of poll.

C) Audited Financial Statements for the financial year ended 30 June 2017

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 340(1) of the Companies Act, 2016. Hence, this Agenda is not put forward for voting by shareholders of the Company.

D) Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"). Further, a member of the Company warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member had obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

Notice of Twenty-Third Annual General Meeting (cont'd)

EXPLANATORY NOTES TO SPECIAL BUSINESS

1. Ordinary Resolution 3
Directors' Benefits (excluding Directors' Fees)

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of the listed company and its subsidiaries shall be approved at a general meeting, in this respect, the Board agreed that shareholders' approval shall be sought at the 23rd Annual General Meeting on the Directors' benefits (excluding Directors' Fees) payable for the period from 1 February 2017 until the next Annual General Meeting.

The Directors' benefits comprise mainly the meeting allowance of RM200 per meeting and other benefits (allowance and other benefits) payable to the Non-Executive Directors ("NEDs").

In determining the estimated total amount of benefits (excluding Directors' Fees) for the NEDs, the Board considered various factors including the number of scheduled meetings for the Board, as well as the number of Directors involved.

2. Ordinary Resolution 8
Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution No. 8, 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-Second AGM held on 22 November 2016 and which will lapse at the conclusion of the Twenty-Third AGM.

3. Ordinary Resolution 9
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution No. 9, 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 2017.

4. Ordinary Resolution 10
Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back Authority

The Ordinary Resolution No. 10, 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 11 October 2017, which is sent out together with the Company's Annual Report 2017.

Statement Accompanying Notice of Twenty-Third Annual General Meeting

1. 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 13 of the Annual Report:-

   a) Ms Lim Saw Imm

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

   Details of the general mandate for the Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act, 2016 are set out in Explanatory Note of the Notice of Twenty-Third Annual General Meeting.

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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-Third Annual General Meeting of the Company to be held at Lankayan Room, 12th Floor, Four Points by Sheraton Sandakan, Sandakan Harbour Square, 90000 Sandakan, Sabah on Thursday, 9 November 2017 at 9.30 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 of RM205,839 for the financial year ended 30 June 2017.	Ordinary Resolution 1		
2.	To approve the payment of proposed Directors' Fees of RM400,000 for the financial year ending 30 June 2018.	Ordinary Resolution 2		
3.	To approve the payment of the Directors' benefits (excluding Directors' Fees) of up to RM30,000 from 1 February 2017 until the next AGM.	Ordinary Resolution 3		
4.	To re-elect Director – Ms Yap Fei Chien, who retires pursuant to Article 124 of the Company's Articles of Association.	Ordinary Resolution 4		
5.	To re-elect Director – Mr Beh Sui Loon, who retires pursuant to Article 124 of the Company's Articles of Association.	Ordinary Resolution 5		
6.	To re-elect Ms Lim Saw Imm, who is retiring in accordance with Article 127 of the Company's Articles of Association, and who is being eligible, offer herself for re-election.	Ordinary Resolution 6		
7.	To appoint Messrs BDO as Auditors and to authorise the Directors to fix their remuneration.	Ordinary Resolution 7		
8.	Authority to allot and issue shares pursuant to Section 75 and 76 of the Companies Act, 2016.	Ordinary Resolution 8		
9.	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 9		
10.	To approve the Proposed Renewal of Shareholders' Mandate for Proposed Share Buy-Back Authority.	Ordinary Resolution 10		

(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 .... 2017.

....
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 exercise all or any of his rights to attend, participate, speak and vote pursuant to Section 334 of the Companies Act, 2016. There shall be no restriction as to the qualification of the proxy. A proxy may but need not be a member of the Company. 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. *There shall be no restriction to the number of proxies. Where a member appoints more than one (1) proxy, such appointment shall be invalid unless he specifies 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. *Date of Record of Depositors for the purpose of determining Members' entitlement to attend, vote and speak at the Meeting is 3 November 2017.*

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

www.glbhd.com

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