Global Oriental Berhad

Global Oriental Berhad

(Company No. 543867-T)

ANNUAL REPORT 2015


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CONTENTS

OUR VISION

Our vision is to create space and value, which fulfills the needs and exceeds the expectations of all STAKEHOLDERS.

OUR MISSION

To provide affordable, efficient, comfortable living and work space that enables users to achieve high living standards in an ecologically balanced environment.

KEY FACTS

Profit Before Tax Increased

8.5%

To **RM58.8** Million

Commendable profit after tax ("PAT") of

RM30.4 Million

Earnings per share attributable to shareholders at

10.61 sen

(FY2014: 17.17 sen)

Corporate Information

BOARD OF DIRECTORS

YAM DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH
(Independent Non-Executive Chairman)

OTHMAN BIN MOHAMMAD
(Executive Director)

WEE BENG AUN
(Executive Director)

TA WEE DHER
(Executive Director)

CHIN HON KEONG
(Executive Director)

DATUK AHMAD ZABRI BIN IBRAHIM
(Independent Non-Executive Director)

DATO' HAMZAH BIN MD RUS
(Independent Non-Executive Director)

WONG YUK MOU
(Independent Non-Executive Director)

AUDIT COMMITTEE

WONG YUK MOU
(Chairman)

DATUK AHMAD ZABRI BIN IBRAHIM
(Member)

DATO' HAMZAH BIN MD RUS
(Member)

NOMINATION COMMITTEE

YAM DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH
(Chairman)

DATUK AHMAD ZABRI BIN IBRAHIM
(Member)

DATO' HAMZAH BIN MD RUS
(Member)

RISK MANAGEMENT COMMITTEE

WONG YUK MOU
(Chairman)

DATO' HAMZAH BIN MD RUS
(Member)

WEE BENG AUN
(Member)

RANJEET SINGH A/L SARJIT SINGH
(Member)

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

DATUK AHMAD ZABRI BIN IBRAHIM
(Chairman)

WEE BENG AUN
(Member)

NG EEK MEEN
(Member)

COMPANY SECRETARY

CHIN PEI FUNG
(MAICSA 7029712)

AUDITORS

Messrs Deloitte (AF: 0080)
Level 16, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : (603) 7610 8888
Fax : (603) 7726 8986

SHARE REGISTRAR

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : (603) 6201 1120
Fax : (603) 6201 3121

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

No. 1, Jalan Putra Permai 1A
Taman Equine
43300 Seri Kembangan
Selangor Darul Ehsan
Tel : (603) 8941 7878
Fax : (603) 8941 1818
Email : gob@gob.com.my
Web : www.gob.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Properties Sector, Stock Code : 1147)
(Listed since 28 October 2003)

Corporate Structure

GLOBAL ORIENTAL BERHAD

- 100% Equine Park Stud Sdn Bhd
- 100% Exceed Concept Sdn Bhd
- 100% Fame Action Sdn Bhd
- 100% Johan Awana Sdn Bhd
- 100% Kelab Taman Equine Sdn Bhd
- 100% Kuala Lumpur Industries Bhd
- 100% Kuala Lumpur Industries Holdings Bhd
- 100% Mutual Crest Sdn Bhd
- 100% Parkamaya Sdn Bhd
- 100% Pedoman Ikhtisas Sdn Bhd
- 100% Penaga Pesona Sdn Bhd
- 100% Permai Construction Sdn Bhd
- 100% Pertanian Taman Equine Sdn Bhd
- 100% Syarikat Tenaga Sahabat Sdn Bhd
- 100% Taman Equine Industrial Sdn Bhd
- 100% Taman Equine Riding Sdn Bhd
- 100% Tujuan Ehsan Sdn Bhd
- 100% Taman Equine (M) Sdn Bhd
  - 100% Equine Park Country Resort Sdn Bhd
- 100% Versatile Flagship Sdn Bhd
  - 100% Arena Pedoman Sdn Bhd
  - 100% Bright Express Sdn Bhd
  - 100% Champion Vista Sdn Bhd
  - 100% Dekad Sinaran Sdn Bhd
  - 100% Modern Treasures Sdn Bhd
  - 100% Prima Pengkalan Sdn Bhd
  - 100% Vista Versatile Sdn Bhd
  - 100% Global Oriental (Taiwan) Limited
  - 100% Global Oriental (Hong Kong) Limited
    - 100% Dalian Wanwan Food and Beverage Management Co. Ltd
    - 100% Dalian Wanwan Bakery Co. Ltd
    - 100% Dalian Wanwan Milk Tea Co. Ltd
    - 100% Dalian Wanwan Japanese Coffee Co. Ltd
    - 100% Dalian Wanwan Italian Coffee Co. Ltd
    - 100% Dalian Wanwan Grocery Co. Ltd
    - 100% Dalian Wanxiang Food and Beverage Co. Ltd
- 65% Perwira Nadi Trading Sdn Bhd
  - 100% Perwira Nadi (M) Sdn Bhd
- 50% Berkat Saga Sdn Bhd

Profile of Directors

YAM DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH

Independent Non-Executive Chairman

YAM Datuk Seri Tengku Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah, a Malaysian aged 60, was appointed the Independent Non-Executive Director of Global Oriental Berhad ("GOB") on 26 August 2003 and was subsequently re-designated as the Independent Non-Executive Chairman on 10 October 2008. He is also the Chairman of the Nomination Committee of GOB.

He completed his Diploma in Business Administration from Universiti Teknologi MARA in 1974. He started his career in Charles Bradburne (1930) Sdn Bhd as a broker from 1974 to 1981. He was a Director of TTDI Development Sdn Bhd from 1978 to 2000 and a Director of Sime UEP Berhad from 1983 to 1987. He was also the Chairman of Sime Darby Medical Centre from 1987 to 2013. Presently, he is a Director of Sime Darby Property Berhad, DutaLand Berhad and Mycron Steel Berhad. He also sits on the Board of Directors of several private limited companies involved in property development.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended all meetings of the Board of Directors held during the financial year.

OTHMAN BIN MOHAMMAD

Executive Director

Othman bin Mohammad, a Malaysian aged 59, was appointed the Executive Director of GOB on 10 October 2008.

He obtained a Bachelor of Science (Hons.) in Civil Engineering from the University of Southampton, United Kingdom in 1980. He is a registered Professional Engineer of the Institute of Engineers, Malaysia as well as an Associate Member of the Institution of Civil Engineers, United Kingdom. He was involved in civil engineering, construction and property development for over 30 years in various companies.

He is a substantial shareholder of GOB with indirect interest of 17.02%. He is the brother-in-law of Dato' Hamzah bin Md Rus, the Independent Non-Executive Director of GOB. Save as disclosed, he has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended all meetings of the Board of Directors held during the financial year.

Wee Beng Aun

Executive Director

Wee Beng Aun, a Malaysian aged 56, was appointed the Executive Director of GOB on 1 July 2010. He is also a Member of the Risk Management Committee and Employees' Share Option Scheme Committee of GOB.

He obtained a Bachelor of Civil Engineering from the University of Melbourne, Australia. He has more than 30 years of working experience in civil engineering, building construction and property development. He held various senior management positions in companies in Malaysia and prior to joining the Group, he was the Managing Director of a subsidiary of a public listed company in Malaysia. During his tenure with these companies, he had been involved in the development and construction of several prestigious projects such as The Pavilion Kuala Lumpur's mega integrated urban commercial, shopping, entertainment centre with luxury residential towers, The Pearl @ KL City Centre high-end condominiums, and mixed development of Bukit Rimau township in Shah Alam, Selangor Darul Ehsan.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended 4 out of 5 meetings of the Board of Directors held during the financial year.

Profile of Directors

TA WEE DHER

Executive Director

Ta Wee Dher, a Malaysian aged 26, was appointed the Executive Director of GOB on 3 December 2012.

He obtained a Bachelor of Accounting from Curtin University, Australia. He has working experience in businesses involved in glass and aluminium, property development and hospitality. Prior to joining the Group, he was the head of Finance and Construction divisions of a renowned company dealing in property development, hospitality and construction.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended 3 out of 5 meetings of the Board of Directors held during the financial year.

CHIN HON KEONG

Executive Director

Chin Hon Keong, a Malaysian aged 61, was appointed the Executive Director of GOB on 13 July 2015.

He graduated from Newcastle Upon-Type Polytechnic (now known as Northumbria University) and Emile Woolf College of Accountancy, United Kingdom with a qualification in accountancy in 1979. He is a Fellow Member of The Chartered Association of Certified Accountants and a Member of Malaysian Institute Of Accountants.

He has more than 30 years of working experience in finance and accounting. He held various senior management positions in companies involved in property development, retail operations, manufacturing and hospitality. Prior to joining the Group, he was the Director of Global Finance and Treasury of Crabtree and Evelyn Group.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He did not attend any of the meetings of the Board of Directors held during the financial year as he was appointed after the financial year-end.

DATUK AHMAD ZABRI BIN IBRAHIM

Independent Non-Executive Director

Datuk Ahmad Zabri bin Ibrahim, a Malaysian aged 72, was appointed the Non-Independent Non-Executive Director of GOB on 26 August 2003 and was subsequently re-designated as Independent Non-Executive Director on 10 October 2008. He is also a Member of the Audit Committee and Nomination Committee, and the Chairman of Employees' Share Option Scheme Committee of GOB.

He obtained a Bachelor of Arts (Hons.) in History from the University of Malaya, Kuala Lumpur in 1966, a Diploma in Development Administration from the University of Birmingham, United Kingdom in 1972 and a Masters in Public Administration from the University of Southern California, U.S.A. in 1979. He also obtained a Certificate in Advanced Management Programme from the Harvard Business School, Harvard University, U.S.A. in 1996.

He started his career in the Malaysian Administrative and Diplomatic Service in 1966 and as an Assistant Secretary in the Ministry of Education until 1971. He served in the Public Service Department from 1972 to 1973 as the Principal Assistant Director (Establishment Division). In 1973, he joined the National Institute of Public Administration (INTAN), as the Head of Research Unit and became the Deputy Director (Academic) and later as the Deputy Director (Management) until 1983. In 1983, he was seconded to the Institute of Strategic and International Studies (ISIS) as Company Secretary/Deputy Director General (Management) until May 1987. He served in the Chief Minister's Department, Sabah as a Director of Development from 1987 to 1990. He was the Secretary General in the Ministry of Youth and Sports Malaysia from 1990 to 1991, the State Secretary of Selangor from 1991 to 1993 and the Secretary General, Ministry of Agriculture, Malaysia from 1993 until his retirement in 1997.

He was the Chairman of Bank Pembangunan Malaysia from 1997 to 1999 and the Chairman of Oriental Bank Berhad from 1999 to 2000 and Independent Non-Executive Director of BERNAS from 1997 till September, 2003.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended all meetings of the Board of Directors and the Audit Committee held during the financial year.

Profile of Directors

DATO' HAMZAH BIN MD RUS

Independent Non-Executive Director

Dato' Hamzah bin Md Rus, a Malaysian aged 65, was appointed the Independent Non-Executive Director of GOB on 10 April 2008. He is also a Member of the Audit Committee, Nomination Committee and Risk Management Committee of GOB.

He obtained his Bachelor of Arts (Hons) Degree from the University of Malaya and a Professional Diploma in Purchasing and Supply Management from the University of North London. He has served the Government of Malaysia throughout his career (1974 – 2006) in various Ministries. He has held various positions, headed many working groups and represented the Government of Malaysia on many international, regional and bilateral meetings and forums. His last position in the Government was the Deputy Secretary General, Ministry of Internal Security. For his dedication and commitment throughout his career, he was awarded with several service excellence awards and was also conferred with several Federal and State Awards.

He is the brother-in-law of the Executive Director, Othman bin Mohammad. Save as disclosed, he has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended all meetings of the Board of Directors and the Audit Committee held during the financial year.

WONG YUK MOU

Independent Non-Executive Director

Wong Yuk Mou, a Malaysian aged 60, was appointed the Independent Non-Executive Director of GOB on 23 November 2009. He is also the Chairman of the Audit Committee and Risk Management Committee of GOB.

He is a Chartered Accountant and a Member of the Malaysian Institute of Accountants, a Member of the Chartered Tax Institute of Malaysia, a Fellow of the Association of Chartered Certified Accountants (FCCA, UK) and holder of a Post Graduate Diploma in Islamic Banking and Finance (IIUM). In 2011, he was admitted as a member of the Institute of Internal Auditors Malaysia under Chartered Audit Committee Director (CACD).

He has extensive working experiences in audit and banking industry. He started his career in public accounting firms and subsequently held various managerial positions in the banking sector in Malaysia. Prior to his retirement in 2008, he was the Head of Group Retail Banking of a local bank in Malaysia.

He has no family relationship with any other director or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence within the past ten years. He attended all meetings of the Board of Directors and the Audit Committee held during the financial year.

da:men USJ, Subang Jaya


La Bodiga
da:mén

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

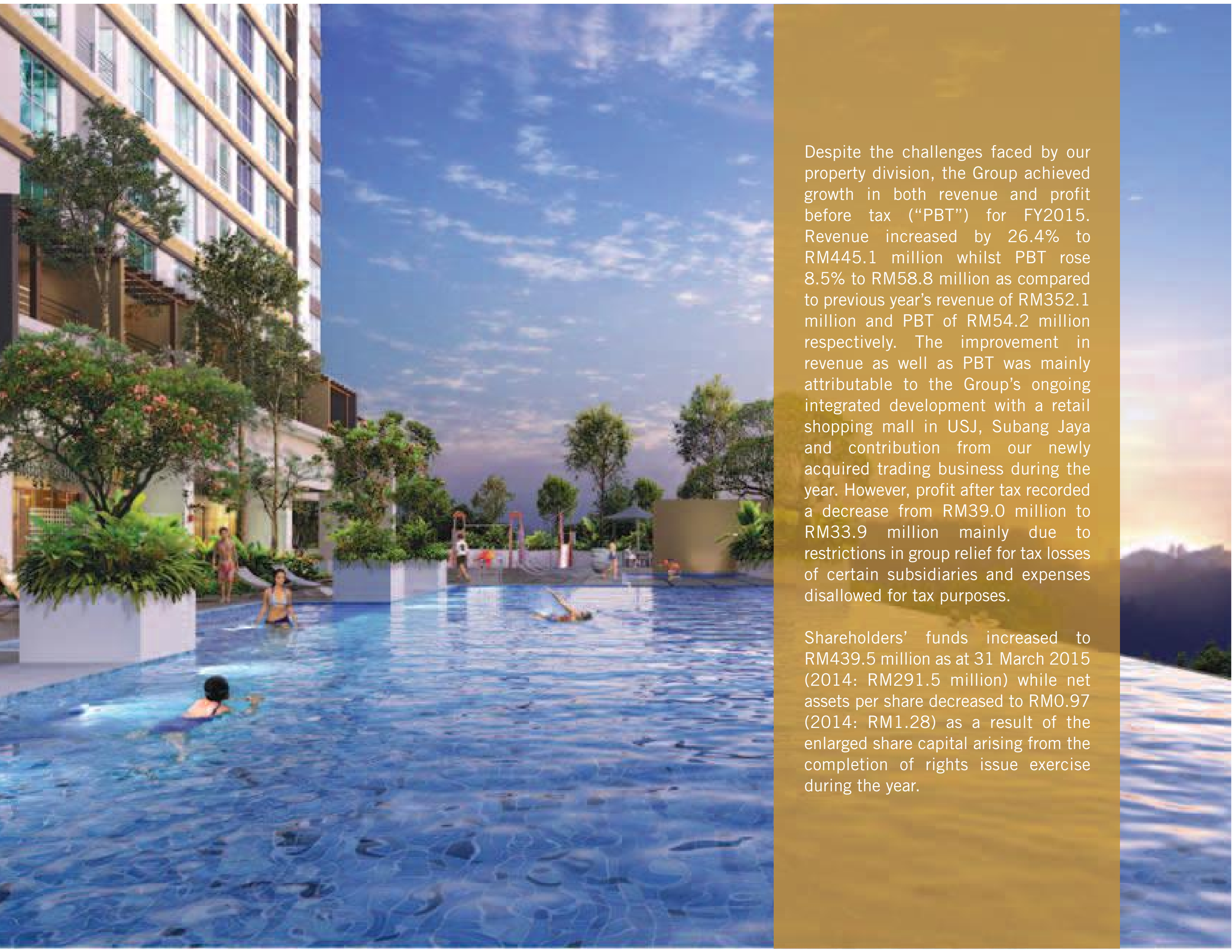
On behalf of the Board of Directors, I have great pleasure in presenting the Annual Report and the Financial Statements of the Group and Company for the financial year ended 31 March 2015 ("FY2015").

MARKET OVERVIEW

The global economy expanded at a similar rate of 3.3% in 2014 as compared to last year. The economy in the United States ("US") has continued to show broader signs of improvement underpinned by strengthening labour market conditions and sustained business sentiments. Meanwhile, business sentiments of those of the euro area were affected by adverse geopolitical developments in Eastern Europe and Japan's economy remained subdued which was mainly caused by weak domestic spending. In Asia, most economies apart from those affected by weak domestic demand benefitted from higher external demand, particularly from the US.

On the home front, the Malaysian economy recorded a stronger growth of 6.0% in 2014 (2013: 4.7%), driven primarily by the continued strength of domestic demand and supported by an improvement in external trade performance. Net exports turned around to contribute positively to growth after seven years of negative contribution in tandem with the recovery in the advanced economies and the sustained demand from regional economies. However, the property market has experienced weakening demand generally.

FINANCIAL REVIEW



Despite the challenges faced by our property division, the Group achieved growth in both revenue and profit before tax ("PBT") for FY2015. Revenue increased by 26.4% to RM445.1 million whilst PBT rose 8.5% to RM58.8 million as compared to previous year's revenue of RM352.1 million and PBT of RM54.2 million respectively. The improvement in revenue as well as PBT was mainly attributable to the Group's ongoing integrated development with a retail shopping mall in USJ, Subang Jaya and contribution from our newly acquired trading business during the year. However, profit after tax recorded a decrease from RM39.0 million to RM33.9 million mainly due to restrictions in group relief for tax losses of certain subsidiaries and expenses disallowed for tax purposes.

Shareholders' funds increased to RM439.5 million as at 31 March 2015 (2014: RM291.5 million) while net assets per share decreased to RM0.97 (2014: RM1.28) as a result of the enlarged share capital arising from the completion of rights issue exercise during the year.

CORPORATE DEVELOPMENTS

On 4 November 2014, Taman Equine Industrial Sdn Bhd, a wholly owned subsidiary of the Group had entered into a conditional sale and purchase agreement with Summit View Development Sdn Bhd for disposal of two parcels of leasehold land located in Mukim Petaling, Daerah Petaling, Negeri Selangor measuring a total area of approximately 15.56 acres, for a total cash consideration of RM142.35 million. The disposal was completed on 1 April 2015 and the proceeds would be utilised towards repayment of bank borrowings and for Group's operations.

During the financial year, the Group completed a par value reduction from RM1.00 to RM0.50 via the cancellation of RM0.50 of the par value of existing ordinary shares of RM1.00 each in the Company and also completed a renounceable rights issue with free detachable warrants on the basis of two rights shares together with one free warrant for every two ordinary shares of RM0.50 each in the Company held after the par value reduction ("Rights Issue with Warrants"). As at 17 December 2014, the closing date for acceptance and payment of the Rights Issue with Warrants, the exercise was oversubscribed by 1.29%. The rights shares and warrants were then listed on the Main Market of Bursa Malaysia Securities Berhad on 2 January 2015. The proceeds raised from this exercise was approximately RM113.67 million and are being primarily used for repayment of bank borrowings and property development activities, and the balance for general working capital of the Group.

Apart from the rights issue, the Company had on 29 August 2014 implemented an Employees' Share Option Scheme and a total of 12,386,187 share options at an exercise price of RM0.76 each had been granted to eligible directors and employees.

OUTLOOK AND PROSPECTS

The global economy is expected to continue expanding at a moderate pace of 3.5% in 2015 (2014: 3.3%), supported by gradual but uneven improvements in the advanced economies especially in the US where private spending is projected to strengthen and a sustained growth in most emerging economies being helped by continuing expansion in domestic activity and improving external demand.

Despite a challenging external environment, the Malaysian economy is expected to register steady growth of 4.5% - 5.5% in 2015, driven mainly by sustained growth in domestic demand and expected improvement in external demand arising from projected growth in the US economy and other regional economies.

The property market is expected to remain challenging throughout 2015 with concerns on banks' credit tightening measures as well as increased purchasers' cautious sentiments. Nevertheless, the Group is confident to maintain its performance given that our land banks are mainly located at strategic development areas including in Kuala Lumpur.

Barring any unforeseen circumstances, the Group is looking forward to another satisfactory performance for the next financial year.

APPRECIATION

On behalf of the Board, I would like to express our sincere appreciation to the management team and staff who are integral to the Group's success for their unwavering commitment and dedication and to our valued customers, bankers, business associates, regulatory authorities, stakeholders and shareholders for their continuing support and confidence in the Group.

Last but not least, to all my fellow Board members, I thank you for your invaluable continuing guidance and support.

YAM DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH
Chairman

Villa Heights

PROPERTY DEVELOPMENT DIVISION

The Group's revenue further strengthen in the financial year under review with the property development division continuing to be the main source of revenue, contributing RM372.8 million or 83.7% of the Group's total revenue. Higher progressive billings from ongoing projects and maiden contribution from our newly acquired trading division had primarily contributed to the improved revenue. The trading division contributed RM46.6 million or 10.5% while the food and beverage division and retail division contributed RM20.9 million or 4.7% and RM4.8 million or 1.1% respectively towards the total revenue.

Property Development Division

Our developments are located mainly in the growth areas of Klang Valley and Penang. In Klang Valley, the Group has three ongoing residential developments in Seri Kembangan and an integrated development with retail shopping mall in USJ, Subang Jaya.

SERI KEMBANGAN

Taman Equine, Putra Permai and Pusat Bandar Putra Permai are the Group's landmark township development projects in Seri Kembangan which began in the 1990s. Spanning over 789 acres of leasehold land in Seri Kembangan, these developments are strategically connected to the Damansara-Puchong Expressway, Bukit Jalil Highway, South Klang Valley Expressway and Seremban Highway. The connectivity would be further improved by the proposed Serdang-Kinrara-Putrajaya Expressway ("SKIP") and also by the proposed Seri Kembangan interchange of Maju Expressway ("MEX") which is currently under construction.

Over the years, our developments have progressively matured into established townships with various amenities such as a shopping mall, an international school, petrol stations, banks, fast food restaurants and Pasar Borong Selangor.

The residential developments undertaken by the Group in Seri Kembangan during the financial year are as follows:

i) Villa Heights

Villa Heights is an exclusive guarded and gated residential project built on the elevated grounds in the pristine area of Taman Equine.

This 35-acre development project comprises 3 phases. Phase 1a which consists of 82 units of semi-detached houses and 17 units of bungalows was completed and handed over to purchasers in May 2014. Phase 1b which consists of 36 units of bungalows was launched in August 2014 has achieved encouraging take-up rate whereas Phase 2 with its 46 units of semi-detached houses and 1 unit of bungalow is planned for launching in 2016. Inspired by the beauty of nature, these exclusive semi-detached houses and bungalows are designed to complement its natural surroundings by blending modern aesthetics and contemporary architecture to accentuate space and elevate sheer elegance and classiness.

Construction work for Phase 1b of Villa Heights has commenced and the project is targeted for completion by mid-2016.

Review of Operations

ii) Springville

Springville is a low-density residential development which comprises 277 condominium units housed in two 18-storey tower blocks with 3 levels of car park and full condominium facilities. The development is strategically located next to Equine Boulevard shop offices, whereby new businesses such as banks and restaurants have commenced businesses and enhanced convenience to its future residents.

Located in the matured township of Taman Equine, Springville is developed on a 4.6-acre prime land tucked nestled beside the lush greenery of a forest reserve. This development provides exclusive lifestyle living with lavish natural landscapes and established amenities in the surroundings. The project has received an encouraging sales of 98% since its launch.

Construction work for the two condominium blocks has reached 66% and the project is targeted for completion in 2016.

iii) Galleria

Galleria, an exclusive service apartment project, features a whole new way of modern integrated living and working concept at Taman Equine, a matured satellite township within Puchong South, the southern gateway of the Klang Valley. It has been conceptualized and conceived to meet the needs of discerning corporate executives and vibrant business community within the vicinity.

This development project has an estimated gross development value of RM155.6 million that entails 504 units of service apartments housed in two tower blocks on a plot of commercial land. This project has garnered a take-up rate of 99% since its launch due to its prime location and close proximity to the existing business centre in Taman Equine.

Construction work for the two tower blocks has reached 24% and the project is targeted for completion in 2016.

Review of Operations

USJ, SUBANG JAYA

da:men is a mixed freehold development undertaken by our wholly owned subsidiary, Equine Park Country Resort Sdn Bhd. This development which spans across the 8.6 acres of prime land in the thriving USJ area is designed as an integrated retail, commercial and residential hub. The proposed development with estimated gross development value of RM1.0 billion consists of two 21-storey tower blocks of service apartments, shop-offices and a retail shopping mall with 2 levels of basement car park.

The development is strategically located beside the intersection of Persiaran Kewajipan and Persiaran Subang Permai and is easily accessible via a network of highways such as the Shah Alam Expressway, Subang-Kelana Elevated Highway, Federal Highway, New Pantai Expressway, ELITE Expressway and Damansara-Puchong Highway. In addition, the proposed Light Rail Transit (LRT) Kelana Jaya Extension Line integrates with the recently commissioned elevated Bus Rapid Transit (BRT) would provide excellent accessibility and seamless connectivity to our development and greatly enhance the present public transportation in the vicinity.

For the financial year under review, da:men's shop offices, retail mall and service apartments have progressed as follows:

i) Shop Offices

The commercial development comprises 41 units of contemporary series 2, 3, 5 and 6-storey shop offices are complimented with excellent design, high visibility and superior potential. During the financial year under review, da:men shop offices have been completely sold with completion scheduled by end of this year.

ii) Retail Mall

The masterpiece of da:men is the approximately 420,000 sq ft, 6 levels of retail mall with a 2-storey basement car park. The da:men retail mall would showcase vibrant food villages, trendy shopping and loads of fun entertainment options to delight shoppers' experiences. The da:men retail mall is expected to complete by end of this year.

iii) Service Apartments

The residential development of da:men features 480 units of well-planned, integrated freehold service apartments housed in two 15-storey tower blocks together with 6 levels of podium car parks. Each tower block has a comprehensive range of facilities including infinity-edge swimming pool, lounge deck, gymnasium, sauna, launderette and podium parking. da:men service apartments have received an overwhelming sales of 97% since its launch. Construction work of the service apartments has reached 32% with completion targeted in 2016.

Review of Operations

BATU KAWAN, PENANG

Crescentia Park is our township development project undertaken by Penaga Pesona Sdn Bhd, a wholly owned subsidiary, in Seberang Perai Selatan, Penang. This proposed township is strategically located within Bandar Cassia in Batu Kawan, approximately 3km from the cloverleaf interchange to the Second Penang Bridge which connects Batu Kawan in mainland Seberang Perai and Batu Maung in Penang Island.

Crescentia Park is planned to be an integrated self-contained township development which comprises residential and commercial developments surrounded by lush greenery, landscaped walkways, open recreational parks and a variety of amenities. The master planning of the development strives to create an integrated community which incorporates a wide range of residential and commercial properties. The development places high emphasis on the importance of public realm and shared open space with greenery surroundings.

There were no new launches during the financial year as planning approvals for various proposed residential and commercial developments have yet to be obtained.

Review of Operations

TRADING DIVISION

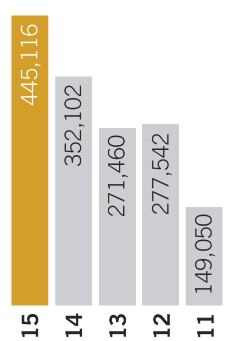
This newly acquired division is principally involved in the trading and distribution of premium brands housewares and related products. It has immediately contributed positively to the earnings of the Group during the year by registering revenue of RM46.6 million and profit after tax of RM10.1 million. With an expected sustained growth in domestic demand, we anticipate this division to continue its good performance to enhance future Group earnings whilst meeting our diversification objectives.

FOOD AND BEVERAGE ("F&B") DIVISION

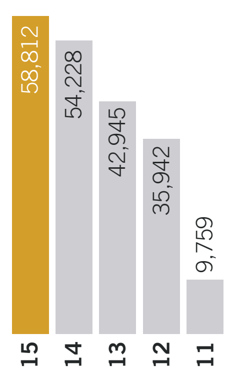
Over the last two years, the Group has been venturing into F&B business with diverse dining concepts in the Klang Valley to progressively build up the business of the division. The results from these efforts have been challenging but most satisfactory and rewarding in most instances. To further diversify and grow our F&B Division, we have recently, after careful consideration and assessment, ventured into Dalian, China which presents a good opportunity for us to increase customer base and expand our market reach with our exquisite and exotic Malaysian cuisines.

Five-Year Performance Highlights

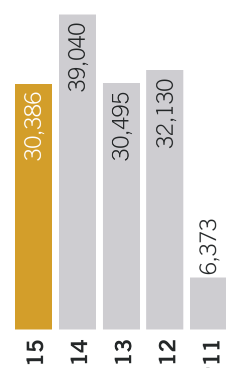
Financial year ended 31 March	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000
Revenue	445,116	352,102	271,460	277,542	149,050
Profit before tax	58,812	54,228	42,945	35,942	9,759
Tax	(24,880)	(15,188)	(12,450)	(3,812)	(3,386)
Net Profit	30,386	39,040	30,495	32,130	6,373
Net Assets	439,535	291,514	252,474	221,979	189,849
Total Borrowings	254,086	221,892	71,014	46,952	107,002
Number of ordinary shares ('000)	454,676	227,338	227,338	227,338	227,338
Earnings per share (sen)	10.61	17.17	13.41	14.13	2.80
Net Assets per share (RM)	0.97	1.28	1.11	0.98	0.84
Gearing (times)	0.58	0.76	0.28	0.21	0.56



REVENUE
RM'000

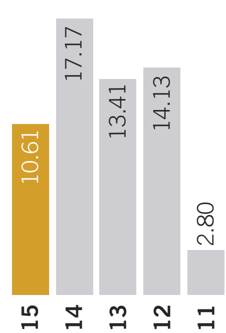


PROFIT BEFORE TAX
RM'000

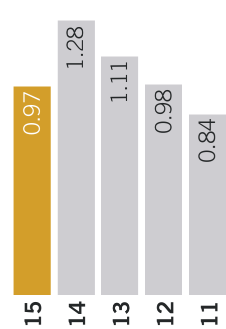


NET PROFIT
RM'000

NET ASSETS
RM'000



EARNINGS PER SHARE
SEN



NET ASSETS PER SHARE
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Corporate Governance Statement

The Board of Directors ("the Board") is fully committed to promote and achieve the highest standards of corporate governance and to ensure that the principles and best practices in corporate governance as detailed in the Malaysian Code on Corporate Governance 2012 ("the Code") are practised and adopted by the Company and its subsidiaries ("the Group").

The Board continuously evaluates the Group's corporate governance practices and procedures with a view to adopt and implement the principles and best practices of the Code, wherever applicable, as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value. The Board believes that good corporate governance results in creation of long term value and benefits for all stakeholders.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

The Board assumes the following principal responsibilities in discharging its fiduciary and leadership functions:

a) Reviewing and adopting a strategic plan for the Group and monitoring the implementation of the strategic plan by management;

b) Reviewing the Code of Conduct of the Company and implementing appropriate internal systems to support, promote and ensure its compliance;

c) Regularly evaluating economic, environmental, social and governance issues and any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders in ensuring that the Company's strategies promote sustainability;

d) Overseeing the conduct of the Group's business to evaluate whether the business is properly managed;

e) Identifying principal risks of the Group and ensuring that appropriate systems are implemented and/or steps are taken to manage these risks;

f) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;

g) Developing and implementing an investor relations programme or shareholder communications policy for the Group; and

h) Reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board delegates certain responsibilities to the Board Committees, all of which operate within defined terms of reference to assist the Board in the execution of its duties and responsibilities. The respective Committee reports to the Board on matters discussed and deliberated, and makes recommendations to the Board for final decision.

The Executive Directors together with the senior management team ("Senior Management") are responsible for the day-to-day management of financial and operational matters in accordance with the strategic direction established by the Board.

The Independent Non-Executive Directors provide unbiased and independent views, advice and directions and ensure that the strategies proposed by the Senior Management are fully discussed and examined and take into account the long-term interests, not only of the Group and the shareholders, but also of employees, customers, suppliers and other stakeholders. Accordingly, the Board has designated Datuk Ahmad Zabri bin Ibrahim as the Director, to whom concerns may be conveyed.

Corporate Governance Statement

(i) Board Charter and Code of Conduct

The Board has established a Board Charter and a Code of Conduct which serve as guidance for Board activities. The Board Charter sets out the composition, authorities, roles and responsibilities of the Board in discharging their fiduciary duties towards the Company. The Code of Conduct sets out the broad principles and standard of business ethics and conduct for the Board.

(ii) Strategies on Promoting Sustainability

The Board recognises the importance of promoting environmental, social and governance aspects of business sustainability. The Board has taken steps to promote sustainability.

(iii) Access to information and advice

The Directors have unrestricted access to all information within the Group and have direct communication channels with the Senior Management, Internal Auditors, External Auditors and the Company Secretary. The Directors, whether in capacity as the full Board or in their individual capacity, may obtain independent professional advice at the Company's expense, if considered necessary, in furtherance of their duties.

(iv) Company Secretary

The Board is supported by the Company Secretary who provides information, guidance and advice on matters relating to procedural and regulatory requirements to enable them to discharge their duties effectively and adhere to board policies and procedures at all times. The Board is regularly updated by the Company Secretary on any changes on statutory and regulatory requirements as well as best practices of corporate governance.

PRINCIPLE 2 – STRENGTHEN THE BOARD'S COMPOSITION

The Board consists of eight (8) members, comprising the Independent Non-Executive Chairman, four (4) Executive Directors and three (3) Independent Non–Executive Directors. This is in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), which requires one third (1/3) of or two members of the Board, whichever is higher, to be independent directors. The Directors, with their diverse backgrounds and qualifications, collectively bring with them a wide range of experience and expertise which are vital towards the effective discharge of the Board's responsibilities for the successful direction and growth of the Group.

The Board has no immediate plan to implement a gender diversity policy as they are of the view that Board membership is dependent on each candidate's skill, experience, competence and other qualities, regardless of gender.

The Board is assisted by the following Board Committees:

(i) Audit Committee

Please refer to the Audit Committee Report for details of its composition and activities.

(ii) Nomination Committee

The Nomination Committee comprises:

- YAM Datuk Seri Tengku Ahmad Shah (Chairman)
- Datuk Ahmad Zabri bin Ibrahim (Member)
- Dato' Hamzah bin Md Rus (Member)

The primary functions of the Nomination Committee are to propose new candidates for the Board; assess the effectiveness of the Board, Board Committees and individual Directors; and review the required mix of skills, experience and other qualities of the Directors to ensure that the Board is functioning effectively and efficiently.

Appointment of Directors

The Nomination Committee is empowered to identify and recommend new appointment of director to the Board. In discharging this duty, the Nomination Committee will assess the suitability of a candidate by taking into account the following criteria:

a) expertise and experience in related business of the Company, law, finance or other appropriate profession;
b) ability to exercise sound judgment;
c) demonstrate high standards of ethics, integrity and professionalism;
d) sufficient time to devote to Board matters; and
e) no conflict of interest that would interfere with performance as a director.

The Nomination Committee will review the candidates' qualification, meet up with the interested candidates who best meet the prescribed criteria and have final deliberation of the suitability of the candidate before recommending to the Board the most appropriate candidate to be invited to become a director of the Company. An induction briefing would be provided by Senior Management to the newly appointed Director.

Assessment of Directors

The Nomination Committee has put in place a formal evaluation process to assess the effectiveness of the Board as a whole, the Board Committees and contribution and performance of each retiring directors on an annual basis.

The Nomination Committee reviews the effectiveness of the Board by taking into account the composition of the Board, time commitment, boardroom activities and the overall performance of the Board. The Nomination Committee evaluates the Board Committees in terms of the composition of the Committee, skills, competency, integrity and quality of their reporting and recommendations made to the Board. For annual assessment of retiring directors, the Nomination Committee reviews the professionalism, integrity, competency, commitment and contribution of the directors and ensure that there is no conflict of interest arises that would impair their ability to represent the interest of the Company's shareholders and stakeholders and to fulfill the responsibilities of a director.

The Nomination Committee undertakes assessment on independence at the point of appointment of an Independent Director and prior to re-election of the retiring Independent Director. When assessing independence, the Nomination Committee focuses whether the Independent Director can continue to bring independent and objective judgement and act in the best interest of the Group.

During the financial year ended 31 March 2015, the Nomination Committee has carried out the following activities:

(a) assessed the performance of the Board, Board Committees and retiring Directors;
(b) reviewed the independence of the retiring Independent Non-Executive Directors; and
(c) recommended to the Board, candidates for re-election of directors by shareholders, having given due consideration to his performance, competency and contribution to the Board.

(iii) Risk Management Committee

The Risk Management Committee comprises:

- Wong Yuk Mou (Chairman)
- Dato' Hamzah bin Md Rus (Member)
- Wee Beng Aun (Member)
- Ranjeet Singh A/L Sarjit Singh (Member)

The primary function of the Risk Management Committee is to assist the Board in fulfilling its duties and discharging its responsibility relating to the risk management and compliance practices of the Group.

(iv) Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee comprises:

- Datuk Ahmad Zabri bin Ibrahim (Chairman)
- Wee Beng Aun (Member)
- Ng Eek Meen (Member)

The ESOS Committee was established to administer the implementation of the ESOS in accordance with such powers and duties conferred upon it under the By-Laws of the ESOS.

Directors' Remuneration

The Board has not set up a Remuneration Committee to review the remuneration packages of Directors. The determination of remuneration of Executive Directors is a matter for the Board as a whole. The respective Executive Directors will play no part in the decisions concerning their own remuneration.

The remuneration package of Executive Directors is linked to the performance of the individual Director and performance of the Company. The remuneration of Non-Executive Directors is linked to their experience and level of responsibilities undertaken.

The remuneration package for the Directors of the Company comprises the following elements:

a. Salaries

The salaries (inclusive of statutory employer's contributions to the Employees' Provident Fund) of the Executive Directors are determined and approved by the Board annually.

b. Fees

The fees payable to the Non-Executive Directors are determined by the Board and approved by the shareholders of the Company at each Annual General Meeting ("AGM").

c. Allowances and benefits-in-kind

The allowances and other customary benefits (such as private medical insurance, company car, driver, fuel and etc) to the Directors are determined and approved by the Board as appropriate.

Aggregate Remuneration

Aggregate Remuneration	**Executive Directors (RM)**	**Non-Executive Directors (RM)**
Salaries	1,320,000	-
Fees	-	204,000
Allowances	-	39,000
Benefits-in-kind*	79,666	-
Total	1,399,666	243,000

* Based on estimated monetary value

Range of Remuneration

Range of Remuneration	No. of Directors Executive	Non-Executive
Less than RM50,000	-	3
RM50,001 – RM100,000	1	1
RM200,001 – RM250,000	1	-
RM1,000,001 – RM1,500,000	1	-

PRINCIPLE 3 – REINFORCE INDEPENDENCE

The Independent Non-Executive Directors of the Company are independent of management and free from any business or other relationships, which could interfere with the exercise of independent judgement on the Board's deliberations and decision-making process.

The Nomination Committee assesses the independence of Independent Non-Executive Directors by taking into consideration of their interests disclosed as well as their fulfillment of the criteria as stated in Main Market Listing Requirements of Bursa Securities.

The Board holds the view that there should be no limit imposed on the length of service of the Independent Directors since the independence of mind of the Independent Directors coupled with their skills, experience, professionalism and integrity to discharge their responsibilities in good faith are of utmost important. These attributes are more critical in ascertaining the function and effectiveness of the Independent Directors than the number of years they have served on the Board.

PRINCIPLE 4 – FOSTER COMMITMENT

The Board acknowledges the importance of allocating sufficient time to discharge their duties and responsibilities. Before appointing a new director to the Board, one of the criteria to be taken into account is the time commitment of the candidate.

The Board schedules to meet at least four times a year, with additional meetings convened as and when necessary. During the financial year ended 31 March 2015, five (5) Board Meetings were convened on 28 May 2014, 16 July 2014, 27 August 2014, 28 November 2014 and 16 February 2015. The meeting attendance of each individual Director is set out on the Profile of Board of Directors in this Annual Report.

All Directors have complied with the minimum 50% attendance requirement in respect of Board Meetings as stipulated in Main Market Listing Requirements of Bursa Securities.

The Board also acknowledges that continuous education is vital for the Board members to keep abreast with the latest developments in the industry and business environment as well as changes to statutory requirement and regulatory guidelines. The Board identifies in-house training for all Directors on a yearly basis. In addition, each of the Directors may also identify appropriate training that he believes will enhance his contribution to the Board.

During the financial year ended 31 March 2015, the Directors have attended collectively or individually, various training programmes as follows:

- Board Chairman Series: The Role of Chairman
- Leadership and Culture Talk
- Ethical Challenges in Today's World
- Anti-Money Laundering and Counter Financing of Terrorism Awareness Programme
- Corporate Board Leadership Symposium 2014
- An Introduction to Islamic Leasing and Its Legal Documentation
- Asean Corporate Governance Summit 2014
- ACCA Malaysia Annual Conference
- MIA Conference 2014
- Audit Committee Conference

The Board will continue to evaluate and determine the training needed by the Directors from time to time to enhance their skills and knowledge to enable them to carry out their roles effectively.

PRINCIPLE 5 – UPHOLD INTEGRITY IN FINANCIAL REPORTING

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects through the quarterly announcement of results to shareholders via Bursa Securities as well as the Chairman's Statement, Review of Operations and annual financial statements in the Annual Report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting process and the quality of its financial reporting.

The Board is responsible to ensure that the annual financial statements are prepared in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia. A statement of the Directors' responsibilities in preparing the financial statements is set out separately in this Annual Report.

In assessing the independence of external auditors, the Audit Committee requires assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

PRINCIPLE 6 – RECOGNISE AND MANAGE RISKS

The Board acknowledges their responsibilities for risk management and internal control system of the Group. The Board has established a Risk Management Committee to oversee the identification, evaluation, control, monitoring and reporting of the critical risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks of the Group.

The Company has an internal audit function which reports directly to the Audit Committee on the adequacy and effectiveness of the governance, risk management and internal control processes within the Group. Information on the Group's risk management and internal control is presented in the Statement on Risk Management and Internal Control set out in this Annual Report.

PRINCIPLE 7 – ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board recognises the importance of transparency and accountability to its shareholders and maintains an effective communication policy that enables both the Board and the Senior Management to communicate effectively with its shareholders and the public. The Board has established corporate disclosure policies pertaining to the release of material information to ensure timeliness in disseminating information to regulators, shareholders and investors.

The Company's corporate website at www.gob.com.my serves as a key communication channel for shareholders, investors and stakeholders to obtain latest information on the operations, activities, corporate information, financial statements and other developments of the Group.

PRINCIPLE 8 – STRENGTHEN RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS

The AGM serves as an important means for shareholders' communication. Notice of the AGM and the Annual Report are sent to shareholders at least twenty-one (21) days prior to the AGM to enable them to go through the Annual Report and papers supporting the resolutions proposed. The Board encourages its shareholders to raise questions regarding the resolutions being proposed at the AGM and also other matters pertaining to the business activities of the Group. The Directors and Senior Management of the Company will be available at the AGM to respond to questions posed by the shareholders.

Additionally, upon request, a press conference may be held immediately following the AGM where the Directors and Senior Management would explain and clarify any issues posed by members of the media regarding the Group.

While the Group 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. Any information that may be deemed as undisclosed material information about the Group will not be imparted to any single shareholder or group of shareholders.

ADDITIONAL DISCLOSURES

(a) NON-AUDIT FEES

The non-audit fees paid to the external auditors during the financial year ended 31 March 2015 was RM243,000.

(b) MATERIAL CONTRACTS

There was no material contract outside the ordinary course of business entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest which was still subsisting as at 31 March 2015.

(c) CORPORATE SOCIAL RESPONSIBILITY

The Group recognises the importance of fulfilment of corporate social responsibilities in the community. The Group emphasises the implementation of public amenities and other social obligations in its product development. The Group also recognises the importance of staff welfare and continual training to ensure development in human capital.

(d) RECURRENT RELATED PARTY TRANSACTIONS

The Company was given shareholders' mandate to enter into recurrent related party transactions at the 13th AGM held on 27 August 2014.

At the forthcoming AGM, the Company intends to seek its shareholders' approval to renew the existing mandate for recurrent related party transactions of a revenue or trading nature. The details of the shareholders' mandate to be sought will be furnished in the Circular to Shareholders dated 31 July 2015.

(e) OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

Warrants

The Company had on 26 December 2014 issued 113,669,147 warrants at an exercise price of RM0.80 each to warrant holders. None of the warrants was exercised during the financial year.

ESOS

The Company had on 29 August 2014 implemented an ESOS and a total of 12,386,187 share options at an exercise price of RM0.76 each had been granted to the eligible directors and employees. None of the share options was exercised during the financial year.

The Company has granted a total of 2,733,238 share options to its directors during the financial year. Details of the allocation was set out on page 46 of the Financial Statements in this Annual Report.

The aggregate maximum allocation to directors and senior management shall not exceed 75%. The actual allocation of share options to the directors and senior management was 29% during the financial year.

(f) UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL AS AT 31 MARCH 2015

The proceeds raised from the Rights Issue with Warrants exercise have been utilised as follows:

Details of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Reclassified RM'000	Balance Utilisation RM'000	Timeframe for Utilisation
Repayment of borrowings	58,650	58,700	50	-	Within 18 months
Working capital	52,269	47,508	295	5,056	Within 24 months
Expenses for Rights Issue with Warrants	2,750	2,405	(345)*	-	Within 6 months
Total	**113,669**	**108,613**	**-**	**5,056**	

* The balance unutilsed amount under Expenses for Rights Issue with Warrants of RM345,248 had been reclassified for repayment of borrowings and working capital purposes.

Audit Committee Report

The Audit Committee ("the Committee") consists of the following members:

- Wong Yuk Mou
  Independent Non-Executive Director
  (Chairman)

- Datuk Ahmad Zabri bin Ibrahim
  Independent Non-Executive Director
  (Member)

- Dato' Hamzah bin Md Rus
  Independent Non-Executive Director
  (Member)

Details of the members of the Committee are contained in the "Profile of Directors" as set out in this Annual Report.

TERMS OF REFERENCE

1. Composition

The Committee shall be appointed from amongst the members of the Board and shall comprise at least three (3) members. All the members must be non-executive directors, with a majority of them being independent directors. The Chairman, who shall be elected by the Committee, must be an independent director.

In the event of any vacancy with the result that the number of members is reduced to below three, the vacancy must be filled within three (3) months.

2. Meetings

The quorum for a meeting shall be two (2) members, provided that the majority of members present at the meeting shall be independent.

3. Rights

The Committee shall:

(a) have explicit authority to investigate any matter within its terms of reference;
(b) have the necessary resources which it needs to perform its duties;
(c) have full and unrestricted access to any information which it requires in the course of performing its duties;
(d) have unrestricted access to the management;
(e) have direct communication channels with the external auditors and internal auditors; and
(f) be able to obtain independent professional or other advice in the performance of its duties at the Company's expense.

4. Duties

The duties of the Committee shall include a review of:

(a) the nomination of external auditors;
(b) the adequacy of existing external audit arrangements, with particular emphasis on the scope and quality of the audit;
(c) the adequacy and effectiveness of the internal controls and management information systems;
(d) the financial statements of the Company with both the external auditors and management;
(e) the external auditors' audit report;

(f) any management letter sent by the external auditors to the Company and the management's response to such letter;
(g) any letter of resignation from the Company's external auditors;
(h) the assistance given by the Company's officers to the external auditors;
(i) all areas of significant financial and operational risks and the arrangements in place to contain those risks to acceptable levels; and
(j) all related-party transactions and potential conflict of interests situations.

INTERNAL AUDIT FUNCTION

In discharging its function, the Committee is supported by an internal audit function whose primary responsibility is to evaluate and report on the adequacy, integrity and effectiveness of the overall system of internal controls of the Company and its subsidiaries. The internal audit function of the Group is carried out by an in-house Internal Audit Department which reports directly to the Committee. The internal audit function adopts a risk-based audit methodology, which is aligned with the risks of the Group to ensure that relevant controls addressing those risks are reviewed on a regular basis.

The total cost incurred for the internal audit function for the financial year ended 31 March 2015 was approximately RM140,000.00.

MEETINGS

During the financial year ended 31 March 2015, the Committee convened a total of five (5) meetings on 28 May 2014, 16 July 2014, 27 August 2014, 28 November 2014 and 16 February 2015. The meeting attendance of each individual Committee is set out on the Profile of Board of Directors in this Annual Report.

The Group's internal and external auditors and the Senior Management attended the meetings upon the invitation of the Committee. Minutes of the meetings of the Committee are circulated to all members of the Board and significant issues are discussed at the Board Meetings.

SUMMARY OF ACTIVITIES OF THE COMMITTEE

During the financial year and up to the date of this Report, the Committee carried out the following activities in discharging its duties and responsibilities:

- **Internal Controls**

  - Evaluated the overall effectiveness of the system of internal controls through the review of the results of work performed by the internal and external auditors and discussions with Senior Management.

- **Financial Results**

  - Reviewed the quarterly results and audited annual financial statements of the Group before recommending to the Board for release to Bursa Securities. The review had focused primarily on:

    a) major accounting areas involving exercise of judgement, significant and unusual events;
    b) significant adjustments resulting from audit;
    c) going concern assumptions;
    d) compliance with applicable approved accounting standards in Malaysia; and
    e) compliance with Main Market Listing Requirements of Bursa Securities and other relevant regulatory requirements.

- **External Audit**

  - Reviewed with the external auditors, their audit plan for the financial year ended 31 March 2015 to ensure that their scope of work adequately covered the activities of the Group;

  - Reviewed the results and issues arising from their audit of the annual financial statements and their resolution of such issues as highlighted in their report to the Committee; and

  - Reviewed their performance and independence before recommending to the Board their re-appointment and remuneration.

- **Internal Audit**

  - Reviewed with the internal auditors, their audit plan for the financial year ending 31 March 2016 ensuring that principal risk areas were adequately identified and covered in the plan;

  - Reviewed the recommendations by internal auditors, representations made and corrective actions taken by management in addressing and resolving issues as well as ensuring that all issues were adequately addressed on a timely basis;

  - Reviewed the competencies of the internal auditors to execute the audit plan, the audit programs used in the execution of the internal audit work and the results of their work; and

  - Reviewed the adequacy of the Internal Audit Charter.

- **Related Party Transactions**

  - Reviewed related party transactions and recurrent related party transactions entered into by the Company and its subsidiary companies.

- **Employees' Share Option Scheme ("ESOS")**

  - Reviewed and verified the allocation of share options to ensure compliance with the By-Laws of the ESOS.

- **Others**

  - Reviewed Chairman's Statement, Review of Operations, Corporate Governance Statement, Audit Committee Report, Statement on Risk Management and Internal Control and Statement on Directors' Responsibility for the Financial Statements for inclusion in the Annual Report before recommending to the Board for approval.

Statement on Risk Management and Internal Control

This statement on risk management and internal control by the Board is made pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Securities and the principles and best practices provided in the Malaysian Code on Corporate Governance 2012.

BOARD RESPONSIBILITIES

The Board has the overall responsibility for the Group's system of risk management and internal control and for reviewing its effectiveness, adequacy and integrity. The Board ensures the effectiveness of the system through regular reviews.

The system of risk management and internal control has been designed to manage rather than eliminate the risk of failure to achieve business objectives and provide reasonable, and not absolute assurance, against material misstatement of management and financial information or against financial losses and fraud.

It is the Board's view that in order to achieve a sound system of risk management and internal control, it is necessary to provide a control environment and framework that is conducive to this objective. This shall require that the Board, Management and all levels of employees to be aware of the Group's business objectives, the risks that could potentially impede the Group in achieving these objectives and the policies and control strategies that are required to manage these risks.

RISK MANAGEMENT FRAMEWORK

The Board is responsible for the ongoing identification, evaluation and management of significant risks. These ongoing processes are reviewed regularly by the Audit Committee, Risk Management Committee, Management and the Internal Auditors. The Risk Management Committee reports directly to the Board and is responsible for coordination of the overall risk management activities within the Group.

INTERNAL CONTROL SYSTEM

The key elements of the Group's internal control system are as follows:

- Organisation structure with clearly defined lines of responsibilities, accountability and delegation of authority;
- Appropriate authorisation of transactions, supported by policies and procedures;
- Monthly financial reporting framework for all companies within the Group whereby actual results monitored against forecasts/budgets and variances are investigated accordingly;
- Quarterly reporting of the financial results of the Group to the Audit Committee and the Board; and
- Operations meetings and project department meetings held regularly to identify, discuss, evaluate and resolve operational and financial issues.

The internal audit function of the Group is carried out by an in-house Internal Audit Department which reports directly to the Audit Committee. The role of the internal auditors is to review the adequacy, integrity and effectiveness of the Group's system of risk management and internal controls to mitigate the risks of the Group including financial, operational and compliance risks.

The internal audit plan is reviewed and approved annually by the Audit Committee. The internal auditors conduct various audit assignments regularly to evaluate the adequacy and effectiveness of the risk management and internal control systems and make recommendations for improvement to the system. The Audit Committee reviews the internal audit reports on a regular basis and keeps the Board informed of key audit findings.

Statement on Risk Management and Internal Control

CONCLUSION

Based on the above, the Board is of the view that system of risk management and internal control being implemented within the Group is adequate, sound and effective. Notwithstanding this, reviews of all the risks and control procedures are being continuously carried out to ensure the ongoing adequacy, integrity and effectiveness of the system, so as to safeguard the Group's assets and shareholders' interests.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement for inclusion in the Annual Report and had reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system.

Statement on Directors' Responsibility on Financial Statements

The Directors are responsible for ensuring the financial statements of the Group are drawn up in accordance with the applicable approved accounting standards in Malaysia and the Companies Act, 1965 which give a true and fair view of the state of affairs of the Group and of their financial performance and cash flows for the financial year.

In preparing the financial statements, the Directors have:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensured that all applicable approved accounting standards in Malaysia have been complied with; and
- prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made appropriate enquiries, that the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors have the responsibility for ensuring that the Group maintains such accounting and other records that will disclose with reasonable accuracy, the financial position of the Group, and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

Financial Statements

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 31 March 2015.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiary companies are set out in Note 14 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM'000	The Company RM'000
Profit before tax	58,812	3,346
Income tax expense	(24,880)	(124)
Profit for the financial year	33,932	3,222
Attributable to:		
Equity holders of the Company	30,386	
Non-controlling interests	3,546	
	33,932	

In the opinion of the Directors, the results of 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.

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and paid-up share capital of the Company was reduced via cancellation of RM0.50 from the par value of each then existing ordinary shares of RM1.00 each of the Company's issued and paid-up share capital pursuant to Section 64 of the Companies Act, 1965, resulting in reduction of the Company's existing issued and paid-up share capital from RM227,338,321 comprising 227,338,321 shares of RM1.00 each to RM113,669,161 comprising 227,338,321 shares of RM0.50 each.

Subsequently, the Company increased its issued and paid-up ordinary share capital by way of issuance of 227,338,321 new ordinary shares of RM0.50 each pursuant to the rights issue together with 113,669,147 free warrants at an issue price of RM0.50 per rights share on the basis of two rights shares together with one free warrant for every two existing ordinary shares in the Company.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

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

WARRANTS

During the financial year, the Company issued 113,669,147 new detachable warrants ("Warrant(s)") pursuant to the rights shares issued during the year.

The Warrants are constituted by the Deed Poll dated 19 November 2014 ("Deed Poll").

The salient features of the Warrants are as follows:

(a) Each Warrant entitles the registered holder thereof ("Warrant holders") to subscribe for one (1) new ordinary share of RM0.50 in the Company at the exercise price of RM0.80 during the 5-year period expiring on 24 December 2019 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll;

(b) At the expiry of the Exercise Period, any Warrant which has not been exercised shall automatically lapse and cease to be valid for any purpose;

(c) Warrant holders must exercise the Warrants in accordance with the procedures set out in the Deed Poll and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, except that they shall not be entitled to any dividend, right, allotments and/or other distributions declared by the Company, which entitlement date thereof precedes the allotment date of the new shares allotted pursuant to the exercise of the Warrants; and

(d) The Deed Poll and accordingly the Warrants, are governed by and shall be construed in accordance with the laws of Malaysia.

Movement in the Warrants during the financial year is as follows:

	Number of warrants over ordinary shares of RM0.50 each			
	Balance as of 1.4.2014	**Granted**	**Exercised**	**Balance as of 31.3.2015**
Number of unexercised Warrants	-	113,669,147	-	113,669,147

SHARE OPTIONS

The Employees' Share Option Scheme ("ESOS") of the Company became effective on 29 August 2014 and the salient features of the ESOS are set out in Note 28 to the financial statements.

The persons to whom the options have been granted have no right to participate, by virtue of the options, in any share issue of any other company within the Group.

During the financial year ended 31 March 2015, the exercise price and number of options over ordinary shares have been adjusted in accordance with the provisions of the By-Laws (as mentioned in Note 28(h)) as a result of the abovementioned rights issue.

The adjustments to the exercise price of ESOS are as follows:

	Exercise price per Option	
	Before adjustments	After rights issue
Offer Date	RM	RM
8.9.2014	1.00	0.76

The movements in the Company's ESOS are as follows:

	Number of options over ordinary shares of RM0.50 each					
Offer Date	Balance as of 1.4.2014	Granted	Adjusted for rights issue	Exercised	Forfeited	Balance as of 31.3.2015
8.9.2014	-	9,290,000	3,096,187	-	(293,321)	12,092,866

The exercise period for the above options will expire on 28 August 2024.

In respect of the ESOS options granted as set out in the preceding paragraphs, the Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of eligible employees who have been granted less than 150,000 options as required by Section 169(11) of the Companies Act, 1965. The eligible employees (excluding the Directors) who were granted 150,000 options or more during the financial year are as follows:

Name of employees	Number of options granted during the financial year
Ng Eek Meen	266,657
Ranjeet Singh A/L Sarjit Singh	266,657
Chan Peng Wah	266,657
Chan Kam Loon	199,993
Angeline Loo Leong Phaik	199,993
Ng Siew Onn	199,993
Lee Boon Hoe	199,993
Mohd Iskandar Bin Omar	199,993
Lee Chee Hung	199,993
Wong Fah Lin	199,993

Except for the options as set out above, no other options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option under the Company's ESOS to take up unissued shares of the Company.

OTHER STATUTORY INFORMATION

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

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise their book value in the ordinary course of business had been written down to their estimated realisable values.

At the date of this report, the Directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

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

DIRECTORS

The following Directors served on the Board of the Company since the date of the last report:

Y.A.M. Datuk Seri Tengku Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah
Datuk Ahmad Zabri bin Ibrahim
Dato' Hamzah bin Md Rus
Othman bin Mohammad
Wee Beng Aun
Wong Yuk Mou
Ta Wee Dher
Chin Hon Keong (Appointed on 13 July 2015)

In accordance with Article 77 of the Company's Articles of Association, Y.A.M. Datuk Seri Tengku Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah and Mr. Wong Yuk Mou retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

DIRECTORS (cont'd)

In accordance with Article 84 of the Company's Articles of Association, Mr. Chin Hon Keong retires from the Board at the forthcoming Annual General Meeting and, being eligible, offer himself for re-election.

Pursuant to Section 129(2) of the Companies Act, 1965, Datuk Ahmad Zabri bin Ibrahim, who is over seventy years of age retires and a resolution will be proposed for his re-appointment as Director under the provision of Section 129(6) of the Act to hold office until the conclusion of the following Annual General Meeting of the Company.

DIRECTORS' INTERESTS

The shareholdings in the Company and its subsidiary companies of those who were Directors at the end of the financial year as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows:

	Number of ordinary shares of RM0.50 each			
	Balance as of 1.4.2014	**Bought**	**Sold**	**Balance as of 31.3.2015**
Shares in the Company				
Indirect interest				
Othman bin Mohammad	27,403,936	50,003,936	-	77,407,872

	Number of warrants over ordinary shares of RM0.50 each			
	Balance as of 1.4.2014	**Bought**	**Sold**	**Balance as of 31.3.2015**
Warrants in the Company				
Indirect interest				
Othman bin Mohammad	-	25,001,968	-	25,001,968

By virtue of his interest in shares through Insan Mayang Sdn. Bhd. and Duta Kembang Sdn. Bhd., Encik Othman bin Mohammad is deemed to have an interest in the shares of the Company and its subsidiary companies to the extent that the Company has an interest by virtue of Section 6A of the Companies Act, 1965.

In addition to the above, the Directors are deemed to have an interest in the shares of the Company to the extent of the options granted to them as follows:

	Number of options over ordinary shares of RM0.50 each			
	Balance as of 1.4.2014	**Granted**	**Exercised**	**Balance as of 31.3.2015**
ESOS of the Company				
Indirect Interest				
Y.A.M. Datuk Seri Tengku Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	-	333,322	-	333,322
Datuk Ahmad Zabri bin Ibrahim	-	199,993	-	199,993
Dato' Hamzah bin Md Rus	-	199,993	-	199,993
Othman bin Mohammad	-	599,979	-	599,979
Wee Beng Aun	-	599,979	-	599,979
Wong Yuk Mou	-	199,993	-	199,993
Ta Wee Dher	-	599,979	-	599,979

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors has 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 disclosed in Note 9 to the financial statements) by reason of a contract made by the Company or a related company 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 except for any benefits which may be deemed to have arisen by virtue of those transactions entered into in the ordinary course of business between its subsidiary company and the companies in which certain Directors are deemed to have financial interests as disclosed in Note 24 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, other than those arising from the share options granted under the ESOS.

AUDITORS

The auditors, Messrs. Deloitte, have indicated their willingness to continue in office.

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

Y.A.M. DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH

OTHMAN BIN MOHAMMAD

Selangor Darul Ehsan
13 July 2015

Independent Auditors' Report To The Members Of Global Oriental Berhad (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **GLOBAL ORIENTAL BERHAD**, which comprise the statements of financial position of the Group and of the Company as of 31 March 2015 and the statements of profit or loss, 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 a summary of significant accounting policies and other explanatory information, as set out on pages 50 to 123.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

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

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

(b) we have considered the accounts and auditors' reports of all the subsidiary companies, of which we have not acted as auditors, which are disclosed in Note 14 to the financial statements;

(c) we are satisfied that the accounts of the subsidiary companies that have been consolidated in the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group, and we have received satisfactory information and explanations as required by us for these purposes; and

(d) our auditors' reports on the accounts of the subsidiary companies were not subject to any qualification and did not include any adverse comment made under Section 174(3) of the Act.

Independent Auditors' Report To The Members Of Global Oriental Berhad (Incorporated in Malaysia)

Other Reporting Responsibilities

The supplementary information set out in Note 44 to 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 Matter

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

DELOITTE
AF 0080
Chartered Accountants

KAMARUL BAHARIN BIN TENGKU ZAINAL ABIDIN
Partner - 2903/11/15 (J)
Chartered Accountant

13 July 2015

Statements Of Profit Or Loss
For The Financial Year Ended 31 March 2015

	Note	The Group 2015 RM'000	The Group 2014 RM'000	The Company 2015 RM'000	The Company 2014 RM'000
Revenue	5	445,116	352,102	6,500	1,256
Cost of sales	7	(304,947)	(241,082)	-	-
Gross profit		140,169	111,020	6,500	1,256
Other operating income		8,938	6,860	872	39
Administration and marketing expenses		(83,493)	(61,240)	(1,899)	(1,128)
Finance costs	8	(6,653)	(2,412)	(2,127)	(121)
Share of results of joint venture		(149)	-	-	-
Profit before tax	9	58,812	54,228	3,346	46
Income tax expense	10	(24,880)	(15,188)	(124)	(237)
Profit/(Loss) for the financial year		33,932	39,040	3,222	(191)
Attributable to:					
Equity holders of the Company		30,386	39,040	3,222	(191)
Non-controlling interests		3,546	-	-	-
		33,932	39,040	3,222	(191)
Earnings per ordinary share (sen):					
Basic	11	10.61	17.17		

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

Statements Of Profit Or Loss And Other Comprehensive Income For The Financial Year Ended 31 March 2015

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit/(Loss) for the financial year	33,932	39,040	3,222	(191)
Other comprehensive loss				
Item that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences on foreign operations	(39)	-	-	-
Other comprehensive loss for the financial year	(39)	-	-	-
Total comprehensive income/(loss) for the financial year	33,893	39,040	3,222	(191)
Attributable to:				
Equity holders of the Company	30,347	39,040	3,222	(191)
Non-controlling interests	3,546	-	-	-
	33,893	39,040	3,222	(191)

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

Statements Of Financial Position As Of 31 March 2015

	Note	The Group 2015 RM'000	The Group 2014 RM'000	The Company 2015 RM'000	The Company 2014 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	12	17,087	17,296	-	-
Investment properties	13	-	4,600	-	-
Investments in subsidiary companies	14	-	-	304,944	193,128
Other investment	15	1	1	-	-
Investments in joint venture	16	101	-	-	-
Land held for property development	17	201,622	174,846	-	-
Goodwill	18	30,337	-	-	-
Deferred tax assets	19	55,327	18,221	-	-
Trade receivables	23	-	921	-	-
Total Non-Current Assets		304,475	215,885	304,944	193,128
Current Assets					
Inventories	20	41,947	12,022	-	-
Property development costs	21	384,061	387,339	-	-
Accrued billings	22	190,523	33,426	-	-
Trade receivables	23	41,538	51,558	-	-
Other receivables, deposits and prepayments	23	32,564	81,658	7,706	50,143
Amount owing by subsidiary companies	14	-	-	92,162	130,619
Tax recoverable		225	135	-	77
Short-term funds	25	7,224	2,029	10	-
Fixed deposits, cash and bank balances	26	59,986	61,354	4,058	1,317
		758,068	629,521	103,936	182,156
Assets held for sale	27	26,717	-	-	-
Total Current Assets		784,785	629,521	103,936	182,156
TOTAL ASSETS		1,089,260	845,406	408,880	375,284

(Forward)

Statements Of Financial Position As Of 31 March 2015

	Note	The Group 2015 RM'000	The Group 2014 RM'000	The Company 2015 RM'000	The Company 2014 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	28	227,338	227,338	227,338	227,338
Reserves	29	212,197	64,176	156,125	35,381
Equity attributable to equity holders of the Company		439,535	291,514	383,463	262,719
Non-controlling interests		10,633	-	-	-
Total Equity		450,168	291,514	383,463	262,719
Liabilities					
Non-Current and Deferred Liabilities					
Redeemable preference shares	30	961	-	-	-
Borrowings - secured	31	212,504	116,387	-	40,000
Deferred tax liabilities	19	18,243	19,760	-	-
Trade payables	35	36,341	89,810	-	-
Total Non-Current and Deferred Liabilities		268,049	225,957	-	40,000
Current Liabilities					
Trade payables	35	147,456	127,660	-	-
Other payables and accruals	35	79,877	30,141	342	419
Amount owing to subsidiary companies	14	-	-	28	47,146
Provisions	36	48,469	48,552	-	-
Borrowings - secured	31	41,582	105,505	25,000	25,000
Tax liabilities		53,659	16,077	47	-
Total Current Liabilities		371,043	327,935	25,417	72,565
Total Liabilities		639,092	553,892	25,417	112,565
TOTAL EQUITY AND LIABILITIES		1,089,260	845,406	408,880	375,284

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

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2015

The Group	Issued capital RM'000	Capital reserve RM'000	Share option reserve RM'000	Warrant reserve RM'000	Foreign currency translation reserve RM'000	Distributable reserve- Retained earnings RM'000	Attributable to equity holders of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
		← Non-distributable reserves			→				
Balance as of 1 April 2013	227,338	-	-	-	-	25,136	252,474	-	252,474
Total comprehensive income for the financial year	-	-	-	-	-	39,040	39,040	-	39,040
Balance as of 31 March 2014	227,338	-	-	-	-	64,176	291,514	-	291,514
Balance as of 1 April 2014	227,338	-	-	-	-	64,176	291,514	-	291,514
Profit for the financial year	-	-	-	-	-	30,386	30,386	3,546	33,932
Other comprehensive loss for the financial year	-	-	-	-	(39)	-	(39)	-	(39)
Total comprehensive income for the financial year	-	-	-	-	(39)	30,386	30,347	3,546	33,893
Par value reduction (Notes 28 & 29)	(113,669)	113,669	-	-	-	-	-	-	-
Share options granted under ESOS	-	-	6,410	-	-	-	6,410	-	6,410
ESOS forfeited during the financial year	-	-	(152)	-	-	152	-	-	-
Rights issue with warrants (Notes 28 & 29)	113,669	(20,227)	-	20,227	-	-	113,669	-	113,669
Rights issue expenses	-	(2,405)	-	-	-	-	(2,405)	-	(2,405)
Non-controlling interests arising from the acquisition of a new subsidiary company	-	-	-	-	-	-	-	10,587	10,587
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	(3,500)	(3,500)
Balance as of 31 March 2015	227,338	91,037	6,258	20,227	(39)	94,714	439,535	10,633	450,168

Statements Of Changes In Equity
For The Financial Year Ended 31 March 2015

	← Non-distributable reserves		→			
The Company	**Issued capital RM'000**	**Capital reserve RM'000**	**Share option reserve RM'000**	**Warrant reserve RM'000**	**Distributable reserve- Retained earnings RM'000**	**Total equity RM'000**
Balance as of 1 April 2013	227,338	-	-	-	35,572	262,910
Total comprehensive loss for the financial year	-	-	-	-	(191)	(191)
Balance as of 31 March 2014	227,338	-	-	-	35,381	262,719
Balance as of 1 April 2014	227,338	-	-	-	35,381	262,719
Total comprehensive income for the financial year	-	-	-	-	3,222	3,222
Par value reduction (Notes 28 & 29)	(113,669)	113,669	-	-	-	-
Share options granted under ESOS	-	-	6,410	-	-	6,410
ESOS forfeited during the financial year	-	-	(152)	-	-	(152)
Rights issue with warrants (Notes 28 & 29)	113,669	(20,227)	-	20,227	-	113,669
Rights issue expenses	-	(2,405)	-	-	-	(2,405)
Balance as of 31 March 2015	227,338	91,037	6,258	20,227	38,603	383,463

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

Statements Of Cash Flows
For The Financial Year Ended 31 March 2015

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit/(Loss) for the financial year	33,932	39,040	3,222	(191)
Adjustments for:				
Provision for/(Reversal of) liquidated and ascertained damages	12	(136)	-	-
Interest expense	6,653	2,412	2,127	121
Income tax expense recognised in profit or loss	24,880	15,188	124	237
Provision for sales incentives	3,035	4,200	-	-
(Reversal of)/Provision for bumiputra quota penalties	(1,758)	1,322	-	-
Property, plant and equipment written off	1,088	116	-	-
Inventories written off	50	-	-	-
Waiver on late payment charges	285	-	-	-
Dividend income	-	-	(6,500)	(1,256)
Depreciation of property, plant and equipment	3,305	2,998	-	-
Share options granted under ESOS	6,410	-	483	-
Interest income	(2,304)	(2,093)	(871)	(39)
Gain on disposal of assets held for sale	-	(524)	-	-
Interest income imputed on interest free financial asset - long-term receivables	(13)	(89)	-	-
Bad debts written off	-	2	-	-
Allowance for doubtful debts	43	180	-	-
Loss on disposal of property, plant and equipment	191	1,262	-	-
Unrealised foreign exchange gain	(481)	-	-	-
Share of results of joint venture	149	-	-	-
Operating Profit/(Loss) Before Working Capital Changes	75,477	63,878	(1,415)	(1,128)
(Increase)/Decrease in:				
Land held for property development	(26,776)	14,056	-	-
Inventories	(8,068)	1,636	-	-
Property development costs	(1,955)	24,874	-	-
Accrued billings	(157,097)	(11,052)	-	-
Trade and other receivables, deposits and prepayments	70,243	(6,758)	(1,064)	6,274
Amount owing by subsidiaries	-	-	38,457	-
Increase/(Decrease) in:				
Progress billings	-	(82,581)	-	-
Trade and other payables	10,892	(56,908)	(77)	4,079
Amount owing to subsidiaries	-	-	(47,118)	-
Cash (Used In)/Generated From Operations	(37,284)	(52,855)	(11,217)	9,225
Tax paid	(27,123)	(9,851)	-	-
Dividend received from a subsidiary company (net of tax)	-	-	-	942
Interest received	2,304	2,093	871	39
Interest paid	(21,622)	(11,591)	(2,127)	(121)
Liquidated and ascertained damages paid	(100)	(2,237)	-	-
Sales incentives paid	(1,899)	(1,320)	-	-
Bumiputra quota penalties paid	(2,642)	(821)	-	-
Net Cash (Used In)/From Operating Activities	(88,366)	(76,582)	(12,473)	10,085

(Forward)

Statements Of Cash Flows
For The Financial Year Ended 31 March 2015

	Note	The Group 2015 RM'000	The Group 2014 RM'000	The Company 2015 RM'000	The Company 2014 RM'000
CASH FLOWS USED IN INVESTING ACTIVITIES					
Proceeds from disposal of property, plant and equipment		14	2,042	-	-
Proceeds from disposal of assets held for sale		-	2,000	-	-
Subscription of shares in subsidiary companies		-	-	(56,040)	-
Net cash outflow on acquisition of a new subsidiary company	14	(50,646)	-	-	**-
Investments in joint venture		(250)	-	-	-
Deposit for acquisition of a new subsidiary company		-	(50,000)	-	(50,000)
Additions to property, plant and equipment*		(4,144)	(4,852)	-	-
Placement of short-term funds		(5,195)	(2,029)	(10)	-
Placement of fixed deposits		(331)	(325)	(60)	(39)
Net Cash Used In Investing Activities		(60,552)	(53,164)	(56,110)	(50,039)
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of bank borrowings		273,033	178,430	-	40,000
Repayment of bank borrowings		(243,166)	(26,888)	(40,000)	-
Proceeds from issuance of redeemable preference shares		961	-	-	-
Proceeds from issuance of ordinary shares		111,264	-	111,264	-
Repayment of hire-purchase creditors		(445)	(416)	-	-
Net Cash From Financing Activities		141,647	151,126	71,264	40,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(7,271)	21,380	2,681	46
Currency translation differences		(39)	-	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		53,779	32,399	82	36
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	37	46,469	53,779	2,763	82

*Additions to property, plant and equipment consist of the following:

	The Group 2015 RM'000	The Group 2014 RM'000
Payment by cash	4,144	4,852
Financed by hire-purchase	207	75
Total (Note 12)	4,351	4,927

** In previous financial year, the Company acquired subsidiary companies for a cash consideration of RM9 as disclosed in Note 14.

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

1. GENERAL 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 Company is an investment holding company. The principal activities of the subsidiary companies are set out in Note 14. There have been no significant changes in the nature of these activities during the financial year.

The registered office and principal place of business of the Company are both located at No. 1, Jalan Putra Permai 1A, Taman Equine, 43300 Seri Kembangan, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All information presented in RM has been rounded to the nearest thousand (RM'000), unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 13 July 2015.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRSs"), the applicable approved accounting standards in Malaysia issued by the Malaysian Accounting Standards Board ("MASB").

Malaysian Financial Reporting Standard ("MFRS Framework")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework"), a fully-IFRS compliant framework. Entities other than private entities shall apply the MFRS Framework for annual periods beginning on or after 1 January 2012, with the exception of Transitioning Entities.

Transitioning Entities, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parents, significant investors and venturers were allowed to defer the adoption of the MFRS Framework until such time as mandated by the MASB. On 2 September 2014, with the issuance of MFRS 15 Revenue from Contracts with Customers and Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants, the MASB announced that Transitioning Entities which have chosen to continue with the FRS Framework are now required to adopt the MFRS Framework latest by 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and has availed itself of this transitional arrangement and will continue to apply FRSs in the preparation of its financial statements. Accordingly, the Group will be required to apply MFRS 1 First-time adoption of Malaysian Financial Reporting Standards in its financial statements for the financial year ending 31 March 2018, being the first set of financial statements prepared in accordance with the new MFRS Framework.

The Group is currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. At the date of authorisation for issue of these financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adopting the new MFRS Framework on the Group's first set of financial statements prepared in accordance with the MFRS Framework cannot be determined and estimated reliably until the process is complete.

Adoption of New and Revised Financial Reporting Standards

In the current financial year, the Company adopted the following new and revised FRS and Issues Committee Interpretations ("IC Interpretations") and amendments to FRSs and IC Interpretation issued by MASB that are relevant to their operations and effective for annual financial periods beginning on or after 1 April 2014.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

Adoption of New and Revised Financial Reporting Standards (cont'd)

FRS 10	Consolidated Financial Statements (Amendments relating to Investment Entities)
FRS 12	Disclosure of Interests in Other Entities (Amendments relating to Investment Entities)
FRS 127	Separate Financial Statements (Amendments relating to Investment Entities)
FRS 132	Financial Instruments: Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)
FRS 136	Impairment of Assets (Amendments relating to Recoverable Amount Disclosures for Non-Financial Assets)
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting)
IC Interpretation 21	Levies

The adoption of these new and revised FRSs and IC Interpretation did not result in significant changes in the accounting policies of the Group and of the Company and has no significant effect on the financial performance or position of the Group and of the Company.

Standards and IC Interpretations in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and revised Standards which were in issue but not yet effective and not early adopted by the Company are as listed below:

FRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)[3]
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception[2]
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations[2]
FRS 14	Regulatory Deferral Accounts[2]
Amendments to FRS 101	Disclosure Initiative[2]
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation[2]
Amendments to FRS 119	Defined Benefit Plans: Employee Contributions[2]
Amendments to FRS 127	Equity Method in Separate Financial Statements[2]
Annual Improvements to FRSs 2010 - 2012 cycle[1]	
Annual Improvements to FRSs 2011 - 2013 cycle[1]	
Annual Improvements to FRSs 2012 - 2014 cycle[2]	

[1] Effective for annual periods beginning on or after 1 July 2014
[2] Effective for annual periods beginning on or after 1 January 2016
[3] Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that the abovementioned Standards will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the accounting policies stated below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 2, leasing transactions that are within the scope of FRS 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 102 or value in use in FRS 136.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of subsidiary companies begins when the Company obtains control over the subsidiary companies and ceases when the Company loses control of the subsidiary companies. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary companies.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiary companies is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiary companies to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiary companies that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted at the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Where the Group loses control of subsidiary companies, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary companies and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary companies are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary companies at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investments in an associate or a joint venture.

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

Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 112 Income Taxes and FRS 119 Employee Benefits respectively;

- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 2 Share-based Payment; and

- assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 Non-Current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with FRS 139 Financial Instruments: Recognition and Measurement or FRS 137 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Business Combinations (cont'd)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Investments in Subsidiary Companies

An investment in a subsidiary company, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any.

On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

Investments in Joint Venture

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

The results and assets and liabilities of joint venture are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with FRS 5. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its shares of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the costs of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of FRS 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investments in joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with FRS 136 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with FRS 136 to the extent that the recoverable amount of the investment subsequently increases.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investments in Joint Venture (cont'd)

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with FRS 139. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership interest in a joint venture but the Company continues to use the equity method, the Group classifies to profit or loss the proportion of the gain or loss that had previously been recognised in the other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with joint venture of the Group, profit or losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of the Group's interest in the joint venture that are not related to the Group.

Foreign Currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional currency and presentation currency of the financial statements.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(c) Group companies

Assets and liabilities of foreign subsidiary companies are translated to Ringgit Malaysia at rates of exchange ruling at the reporting date and the results of foreign subsidiary companies are translated at the average rate of exchange for the financial year. Exchange differences arising from the translation are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recognised in other comprehensive income and accumulated in equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

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

(a) Revenue from sale of property development projects and sale of completed property units

Property development revenue is recognised in respect of all development units that have been sold. Revenue from sale of property development projects is recognised based on stage of completion. The stage of completion is based on the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Revenue from the sale of completed property unit is measured at the fair value of the consideration received or receivable and is recognised when the entity has transferred the significant risks and rewards of ownership of the unit, and when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably.

(b) Revenue from construction contracts

Revenue relating to construction contracts is recognised based on the percentage of completion of the contract as measured by the proportion of construction costs incurred for work performed to-date to the estimated total contract costs where the outcome of the contracts can be reliably estimated.

(c) Rental income

Rental income is accounted for on a straight line basis over the lease terms on ongoing leases. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight line basis.

(d) Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(e) Revenue from sale of food and beverage

Sale of food and beverage is recognised when food and beverage is served, net of service tax.

(f) Revenue from sale of goods

Revenue from sale of goods is recognised upon delivery of products and when the risks and rewards of ownership have passed to customers. Sales represent gross invoice value of goods sold less discounts and returns.

(g) Dividend income

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits

(a) Short-term employee benefits

Wages, salaries, social security contributions, paid annual leave, bonuses and non-monetary benefits are recognised as an expense in the year when employees have rendered their services to the Group.

Short-term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Bonuses are recognised an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plans

The Group and subsidiary companies incorporated in Malaysia make contributions to a statutory provident fund and recognise the contribution payable:

(i) after deducting contributions already paid as liability; and

(ii) as an expense in the financial year in which the employees render their services.

(c) Equity compensation benefits

Under the Company's Employees' Share Option Scheme ("ESOS"), share options to acquire ordinary shares of the Company are granted to eligible employees and Directors of the Group. Details of the Company's ESOS are disclosed in Note 28. The ESOS, an equity-settled share-based compensation plan, allows the Group's employees and Directors to acquire ordinary shares of the Company. The total fair value of share options granted to employees and Directors is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and takes into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, forfeited, or until the option expires, upon which it will be transferred directly to retained earnings. The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

Income Tax

Income tax on the profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is accounted for using the "liability" method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilised.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Income Tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of the financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is measured at tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period. Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the item and restoring the site on which it is located for which the Group is obligated to incur when the item is acquired.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and which have different useful lives, are depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation on other property, plant and equipment is calculated to write off the cost of the assets to its residual values on a straight line basis over their estimated useful lives. The principal depreciation periods and rates are as follows:

Buildings	50 years
Motor vehicles	20%
Furniture, fittings and equipment	10% - 20%
Kitchen equipment, bar equipment and utensils	10% - 20%
Computers and software	20% - 33⅓%
Renovation	11% - 20%

At the end of each reporting period, the carrying amount of any item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period and to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, Plant and Equipment Acquired Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are capitalised as property, plant and equipment and the corresponding obligations recorded as liabilities in the financial statements. The capital element of the lease instalments is applied to reduce the outstanding obligations whereas the interest element is charged against profit or loss so as to give a constant periodic rate of charge on the remaining balance outstanding at the end of each reporting period.

Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value.

Fair values of investment properties are arrived at by reference to market evidence of transaction prices for similar properties. It is performed by registered independent valuers with appropriate recognised professional qualification and has recent experience in the location and category of the investment properties being valued.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The gains or losses arising from the retirement or disposal of investment properties are determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

Impairment of Non-Financial Assets

At the end of each reporting period, the Group reviews the carrying amounts of their non-current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

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

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of Non-Financial Assets (cont'd)

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset, other than goodwill, is reversed if, and only if, there has been a change in the estimates used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset, other than goodwill, is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset, other than goodwill, is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

Goodwill on Consolidation

Goodwill is identified as any excess of the consideration paid over the Group's share of fair value of the identifiable assets, liabilities and contingent liabilities acquired as of the date of acquisition. Goodwill is initially measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Where the consideration is lower than the Group's share of net fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is recognised as negative goodwill. Negative goodwill is recognised immediately in profit or loss.

Goodwill acquired is allocated to the cash-generating units ("CGU") expected to benefit from the acquisition synergies. An impairment loss is recognised in profit or loss when the carrying amount of the CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount is the higher of the CGU's fair value less costs to sell and its value in use. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each assets in the CGU. Impairment loss on goodwill is not reversed in a subsequent period.

Property Development Activities

(a) Land held for property development

Land held for property development, stated at cost less accumulated impairment losses, if any, is classified as non-current assets when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprise the cost of land under development, construction costs and other related development costs common to the whole project including administrative overheads and borrowing costs.

Development properties on which development activities have commenced or where it can be demonstrated that the development activities can be completed within the normal operating cycle are classified as current assets.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property Development Activities (cont'd)

(b) Property development costs (cont'd)

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development costs is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the end of the reporting period. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

When the financial outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the stage of completion method. The stage of completion is measured by reference to the proportion that property development costs incurred bear to the estimated total costs for the property development.

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that are probable of recovery.

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

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

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in profit or loss, the balance is shown as progress billings under payables (within current liabilities).

Construction Contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for work performed todate bear to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customers.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are probable of recovery. Contract costs are recognised as expenses in the year in which they are incurred.

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

Amount due from contract customers represents the excess of cost incurred to date and portion of profit or loss attributable to work performed todate over progress billings while amount due to contract customers represents the excess of progress billings over costs incurred todate and portion of profit or loss attributable to work performed todate.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get them ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The amount of borrowing costs eligible for capitalisation is determined based on actual interest incurred on borrowings made specifically for the purpose of obtaining a qualifying asset and less any investment income on the temporary investment of that borrowing.

All other borrowing costs are recognised as finance costs in profit or loss in the financial year in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Inventories

Inventories mainly consist of completed development properties, trading merchandise, raw materials, packing materials, food, beverages and consumables, which are stated at the lower of cost and net realisable value.

The cost of completed development properties comprises cost of land and relevant development expenditure.

Costs of trading merchandise, packing materials, food, beverages and consumables comprise the original purchase price plus cost incurred in bringing the inventories to their present location and condition.

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

Non-Current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable.

The sale is expected to qualify for recognition as a completed sale within one (1) year from the date of classification. However, an extension of the period required to complete the sale does not preclude the assets (or disposal groups) from being classified as held for sale if the delay is caused by events or circumstances beyond the control of the Group and there is sufficient evidence that the Group remains committed to its plan to sell the assets (or disposal groups).

Immediately before the initial classification as held for sale, the carrying amounts of the non-current assets (or all the assets and liabilities in a disposal group) are measured in accordance with applicable FRSs. On initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefits assets, and financial assets carried at fair value) are measured at the lower of carrying amount before the initial classification as held for sale and fair value less costs to sell. The differences, if any, are recognised in profit or loss as impairment loss.

Non-current assets held for sale are classified separately on the face of the statement of financial position and are stated at the lower of carrying amount immediately before initial classification and fair value less costs to sell and are not depreciated. Any cumulative income or expense recognised directly in equity relating to the non-current asset classified as held for sale is presented separately.

If the Group has classified an asset as held for sale but subsequently the criteria for classification is no longer met, the Group ceases to classify the asset as held for sale. The Group measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

(a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale; and

(b) its recoverable amount at the date of the subsequent decision not to sell.

Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Provisions (cont'd)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Provision for liquidated and ascertained damages in respect of projects undertaken by certain subsidiary companies is recognised based on the estimated claim in reference to the applicable sale and purchase agreements.

Provision for bumiputra quota penalties on non-compliance of bumiputra quotas is recognised based on estimated penalties imposed by local authorities.

Financial Instruments

Financial instruments are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

(a) Financial Assets

Where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, such financial assets are recognised and derecognised on trade date.

Financial instruments are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' ("FVTPL"), 'held-to-maturity' investments, 'available-for-sale' ("AFS") financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

<u>Effective Interest Method</u>

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(i) AFS Financial Assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investment or financial assets at FVTPL. All AFS assets are measured at fair value at the end of the reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

(a) Financial Assets (cont'd)

Effective Interest Method (cont'd)

(ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(iii) Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investments have been affected.

For equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and an increase in the number of delayed payments in the portfolio past the average credit period.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

(iv) Derecognition of Financial Assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial Instruments (cont'd)

(b) Equity Instruments and Financial Liabilities issued by the Group

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs. Ordinary shares and warrants are equity instruments. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(a) Ordinary Shares

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

(b) Warrants

Warrants are classified as equity instruments.

The issuance of ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for a consideration equivalent to the exercise price of the warrants.

(ii) Financial Liabilities

Financial liabilities of the Group, including borrowings are initially measured at fair value, net of transaction costs. It is subsequently measured at amortised cost using the effective interest method, with the interest expense recognised on an effective yield basis.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period to the net carrying amount on initial recognition.

Redeemable preference shares are classified as a liability as it is redeemable on a specific date or at the option of the holder, or if dividend payments are not discretionary. Dividends thereon, if any, are recognised as interest expense in the profit or loss.

(iii) Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents, which comprise deposits with licensed banks and other financial institutions, cash on hand and at bank, and bank overdrafts, are short-term, highly liquid investments and are readily convertible to cash with insignificant risks of changes in value.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that are related to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Contingent Liabilities

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

In the acquisition of subsidiary companies by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interests.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements made in applying accounting policies

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

(a) Contingent liabilities

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of the business.

(b) Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Key sources of estimation uncertainty

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

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Key sources of estimation uncertainty (cont'd)

(i) Property development

The Group recognises revenue and expenses from property development in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed todate bear to the estimated total property development costs.

Significant judgement is exercised in determining the stage of completion, the extent of recovery of the property development costs incurred, the total estimated property development revenue and property development costs. Property development revenue and expenses estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

(ii) Revenue from construction contracts

Note 3 describe the revenue recognition and the use of percentage of completion method for construction contracts. The percentage of completion method requires the Group to make reasonably dependable estimates of progress towards completion of contracts and contract costs. If the Group was unable to make reasonably dependable judgements, the Group would not recognise any profit before a contract is completed, but would recognise a loss as soon as the loss becomes evident.

(iii) Deferred tax assets

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

(iv) Income taxes

Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions, where applicable, in the period in which such determination is made.

(v) Allowance for doubtful debts

The policy for allowance for doubtful debts of the Group is based on the evaluation of collectability and on management's estimate. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of the customer. If the financial conditions of the customer which the Group deal with were to deteriorate, resulting in an impairment of its ability to make payments, additional allowance may be required.

(vi) Valuation of investment properties

Fair values for investment property are arrived at by reference to market evidence of transaction prices for similar properties, performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

(vii) Provision for liquidated and ascertained damages

Provision for liquidated and ascertained damages ("LAD") is in respect of projects undertaken by the Group and is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Significant judgement is required in determining the amount of provision for LAD to be made. The Group evaluates the amount of provision required based on past experience and the industry norm. As of 31 March 2015, the amount of provisions made for LAD is disclosed in Note 36.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Key sources of estimation uncertainty (cont'd)

(viii) Provision for bumiputra quota penalties

Provision for bumiputra quota penalties is in respect of projects undertaken by the Group and is recognised for expected bumiputra quota penalties claims based on estimated penalties imposed by local authorities. Significant judgement is required in determining the amount of provision for bumiputra quota penalties to be made. The Group evaluate the amount of provision required based on past experience and the industry norm. As of 31 March 2015, the amount of provision made for bumiputra quota penalties is disclosed in Note 36.

(ix) Impairment of goodwill

The Group reviews the carrying amount of goodwill on consolidation by comparing to the recoverable amount of the cash generating unit to determine whether there is impairment. The recoverable amount is determined based on the estimation of the present value of future cash flows expected to be generated. The key bases and assumptions used in the estimation of the recoverable amount are disclosed in Note 18.

5. REVENUE

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Property development revenue	360,812	326,137	-	-
Sale of completed units	11,976	6,426	-	-
Sales of goods	46,636	-	-	-
Food and beverage and others	25,692	19,539	-	-
Dividend from a subsidiary company	-	-	6,500	1,256
	445,116	352,102	6,500	1,256

6. SEGMENT REPORTING

(a) Reporting format

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

6. SEGMENT REPORTING (cont'd)

(b) Reportable segments

The accounting policies of the reportable segments are the same as the Group's accounting policies as described in Note 3.

For management purposes, the Group is organised into the following operating divisions:

Property development	:	Development of residential and commercial properties, and sale of development land
Construction	:	Construction of property development projects and other similar construction activities
Trading and distribution	:	Trading and distribution of housewares and related products such as glass and ceramic dinnerware, cookware, tableware and others
Investment holding	:	Investment holding
Others	:	Restaurant operator, retail space leasing and retail businesses

(c) Allocation basis and inter-segment pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Inter-segment prices between reportable segments are based on similar terms as those available to external parties. Segment revenue, expenses and results include transfer between reportable segments. These inter-segment transactions are eliminated on consolidation.

Information regarding the Group's reportable segments is presented below:

The Group
2015

	Property development RM'000	**Construction RM'000**	**Trading and distribution RM'000**	**Investment holding RM'000**	**Others RM'000**	**Elimination RM'000**	**Total RM'000**
Revenue							
External sales	372,788	-	46,636	-	25,692	-	445,116
Inter-segment sales	-	48,641	-	6,500	-	(55,141)	-
	372,788	48,641	46,636	6,500	25,692	(55,141)	445,116
Results							
Segment results	77,502	1,178	13,464	(727)	(10,975)	(17,145)	63,297
Interest income	1,667	58	91	490	11	-	2,317
Unallocated expenses:							
- finance costs							(6,653)
- share of results of joint venture							(149)
Profit before tax							58,812
Income tax expense							(24,880)
Profit for the financial year							33,932

6. SEGMENT REPORTING (cont'd)

The Group
2015

	Property development RM'000	Construction RM'000	Trading and distribution RM'000	Investment holding RM'000	Others RM'000	Elimination RM'000	Total RM'000
Other information							
Segment assets	880,206	16,557	6,423	73,183	64,670	21,504	1,062,543
Assets held for sale (Note 27)							26,717
Total assets							1,089,260
Segment liabilities	507,325	44,514	8,606	29,661	84,982	(35,996)	639,092
Capital expenditure (Note 12)	101	-	11	303	3,936	-	4,351
Property, plant and equipment written off	2	-	-	-	1,086	-	1,088
Depreciation of property, plant and equipment (Note 12)	178	481	61	66	2,519	-	3,305
Non-cash expenses other than depreciation	3,049	-	-	-	1,320	-	4,369

The Group
2014

	Property development RM'000	Construction RM'000	Investment holding RM'000	Others RM'000	Elimination RM'000	Total RM'000
Revenue						
External sales	332,563	-	-	19,539	-	352,102
Inter-segment sales	-	103,266	1,256	-	(104,522)	-
	332,563	103,266	1,256	19,539	(104,522)	352,102
Results						
Segment results	101,581	6,936	(1,791)	(9,542)	(42,726)	54,458
Interest income	2,093	92	39	-	(42)	2,182
Unallocated expenses:						
- finance costs						(2,412)
Profit before tax						54,228
Income tax expense						(15,188)
Profit for the financial year						39,040

6. SEGMENT REPORTING (cont'd)

The Group
2014

	Property development RM'000	Construction RM'000	Investment holding RM'000	Others RM'000	Elimination RM'000	Total RM'000
Other information						
Segment assets	757,021	58,291	51,987	25,838	(47,731)	845,406
Segment liabilities	459,673	69,071	65,610	7,269	(47,731)	553,892
Capital expenditure (Note 12)	54	15	214	4,644	-	4,927
Property, plant and equipment written off	2	-	-	114	-	116
Depreciation of property, plant and equipment (Note 12)	336	487	25	2,150	-	2,998
Non-cash expenses other than depreciation	5,515	-	-	1,556	(40)	7,031

7. COST OF SALES

	The Group 2015 RM'000	2014 RM'000
Property development costs	256,126	229,440
Cost of completed units sold	7,226	2,467
Cost of goods sold	28,777	-
Food and beverage and others	12,818	9,175
	304,947	241,082

8. FINANCE COSTS

The finance costs of the Group and the Company are made up of the following:

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest expense on:				
- bank loans	21,505	11,443	2,127	121
- interest imputed on interest free financial liability - retention sums	78	119	-	-
- interest imputed on interest free financial liability - landowner's entitlement	9,685	1,846	-	-
- bank overdrafts	51	69	-	-
- hire-purchase	65	80	-	-
	31,384	13,557	2,127	121
Less: Finance charges capitalised on property development costs:				
- interest imputed on interest free financial liability (Note 21)	(9,685)	(1,846)	-	-
- interest expense capitalised in property development costs (Note 21)	(15,046)	(9,299)	-	-
	6,653	2,412	2,127	121

9. PROFIT BEFORE TAX

Profit before tax is arrived at:

		The Group		The Company	
		2015	**2014**	**2015**	**2014**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
After charging:					
Auditors' fee:					
Statutory:					
- current year		368	320	97	85
- overprovision in prior year		(1)	-	-	-
Others		94	5	6	5
Allowance for doubtful debts					
- trade		43	180	-	-
Depreciation of property, plant and equipment	12	3,305	2,998	-	-
Directors' remuneration:					
Fees:					
- payable by the Company		204	204	204	204
Other emoluments:					
- share options granted under ESOS		1,415	-	483	-
- payable by the Company		39	43	39	43
- payable by the subsidiary companies		1,486	1,282	-	-
Loss on disposal of property, plant and equipment		191	1,262	-	-
Provision for liquidated and ascertained damages	36	12	-	-	-

9. PROFIT BEFORE TAX (cont'd)

Profit before tax is arrived at: (cont'd)

		The Group		The Company	
		2015	2014	2015	2014
	Note	RM'000	RM'000	RM'000	RM'000
Provision for bumiputra quota penalties	36	-	1,322	-	-
Provision for sales incentives	36	3,035	4,200	-	-
Rental of premises		8,548	3,198	-	-
Rental of equipment		128	133	-	-
Pre-operating expenses		-	2	-	-
Property, plant and equipment written off		1,088	116	-	-
Staff costs*		29,388	16,910	-	-
Bad debts written off		-	2	-	-
Inventories written off		50	-	-	-
Waiver on late payment charges		285	-	-	-
Sales commission		4,331	-	-	-
And crediting:					
Reversal of provision for liquidated and ascertained damages	36	-	136	-	-
Interest income imputed on interest free financial asset - long-term receivables		13	89	-	-
Gain on disposal of assets held for sale		-	524	-	-
Interest income from:					
- late payment by purchasers		133	603	-	-
- fixed deposits		1,308	598	489	39
- subsidiary companies		-	-	382	-
- others		863	892	-	-
Reversal of provision for bumiputra quota penalties		1,758	-	-	-
Rental income		412	373	-	-
Unrealised foreign exchange gain		481	-	-	-
Realised foreign exchange gain		39	42	-	-

* Staff costs comprise:

	The Group	
	2015	2014
	RM'000	RM'000
Salaries and wages	21,511	14,720
EPF and SOCSO contributions	2,368	1,624
Share options granted under ESOS	4,995	-
Others	514	566
	29,388	16,910

9. PROFIT BEFORE TAX (cont'd)

The remuneration of key management personnel (including Directors of the Company) for the financial year was as follows:

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Short-term employee benefits	3,426	2,233	243	247
EPF and SOCSO contributions	391	245	-	-
Benefits-in-kind	133	85	-	-
	3,950	2,563	243	247

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Share options granted under ESOS:				
Executive directors	932	-	-	-
Non-executive directors	483	-	483	-
Key management personnel	345	-	-	-
	1,760	-	483	-

10. INCOME TAX EXPENSE

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Estimated tax payable:				
- current year	63,840	22,713	124	237
- overprovision in prior years	(280)	(2,555)	-	-
	63,560	20,158	124	237
Deferred tax (Note 19):				
- relating to origination and reversal of temporary differences	(38,563)	(5,442)	-	-
- (under)/overprovision in prior years	(117)	472	-	-
	(38,680)	(4,970)	-	-
	24,880	15,188	124	237

10. INCOME TAX EXPENSE (cont'd)

The numerical reconciliations of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Profit before tax	58,812	54,228	3,346	46
Tax at statutory tax rate 25%	14,703	13,557	837	12
Tax effects in respect of:				
- non-allowable expenses	10,917	4,510	912	225
- non-taxable income	(569)	(352)	(1,625)	-
Deferred tax assets not recognised	2,061	830	-	-
Utilisation of deferred tax assets previously not recognised	(172)	-	-	-
Overprovision of tax payable in prior years	(280)	(2,555)	-	-
(Under)/Overprovision of deferred tax in prior years	(117)	472	-	-
Effect of changes in tax rate	(329)	-	-	-
Adjusted of loss under Section 44A of Income Tax Act, 1967 - Group Relief for Companies	(1,334)	(1,274)	-	-
Income tax expense recognised in profit or loss	24,880	15,188	124	237

The Finance (No.2) Act, 2014 gazetted on 30 December 2014 enacts the reduction of corporate income tax rate from 25% to 24% with effect from year of assessment 2016. Accordingly, the applicable tax rates to be used for the measurement of any applicable deferred tax will be the expected rate.

The details of deferred tax assets not recognised of the Group are disclosed in Note 19(c).

11. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share as of 31 March 2015 was based on the profit attributable to ordinary shareholders of RM30,386,007 (2014: RM39,039,966) and weighted average number of ordinary shares outstanding during the year of 286,508,569 (2014: 227,338,321).

Weighted average number of ordinary shares

	The Group	
	2015 Unit'000	**2014 Unit'000**
Issued ordinary shares as of 1 April	227,338	227,338
Effect of rights issue during the year	59,171	-
Weighted average number of ordinary shares as of 31 March	286,509	227,338
Basic earnings per ordinary share (sen)	10.61	17.17

Fully diluted earnings per share is not presented as the warrants and options, if exercised, would have an anti-dilutive effect on the earnings per share.

As of 31 March 2014, the Group does not have any convertible instruments as at the end of financial year and accordingly diluted earnings per share are not applicable.

12. PROPERTY, PLANT AND EQUIPMENT

The Group	**Buildings RM'000**	**Computers and software RM'000**	**Furniture, fittings and equipment RM'000**	**Motor vehicles RM'000**	**Kitchen equipment, bar equipment and utensils RM'000**	**Renovation RM'000**	**Total RM'000**
Cost							
As of 1 April 2013	138	2,715	2,868	3,587	2,511	13,515	25,334
Additions	-	231	782	78	1,034	2,802	4,927
Disposals	-	(51)	(325)	-	(1,225)	(2,111)	(3,712)
Written off	-	(5)	(56)	(96)	(8)	(57)	(222)
As of 31 March 2014/1 April 2014	138	2,890	3,269	3,569	2,312	14,149	26,327
Acquisition of a new subsidiary company	-	249	160	124	-	53	586
Additions	-	379	573	256	582	2,561	4,351
Disposals	-	(21)	(79)	-	(113)	(39)	(252)
Written off	-	(4)	(68)	-	(202)	(1,200)	(1,474)
As of 31 March 2015	138	3,493	3,855	3,949	2,579	15,524	29,538
Accumulated Depreciation							
As of 1 April 2013	124	1,811	1,101	2,014	82	1,415	6,547
Charge for the year	14	415	261	554	227	1,527	2,998
Disposals	-	(13)	(25)	-	(98)	(272)	(408)
Written off	-	(2)	(5)	(96)	(1)	(2)	(106)
As of 31 March 2014/1 April 2014	138	2,211	1,332	2,472	210	2,668	9,031
Acquisition of a new subsidiary company	-	231	146	125	-	46	548
Charge for the year	-	431	281	530	245	1,818	3,305
Disposals	-	(7)	(13)	-	(16)	(11)	(47)
Written off	-	(2)	(12)	-	(41)	(331)	(386)
As of 31 March 2015	138	2,864	1,734	3,127	398	4,190	12,451
Net book value							
31 March 2014	-	679	1,937	1,097	2,102	11,481	17,296
31 March 2015	-	629	2,121	822	2,181	11,334	17,087

12. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	The Group 2015 RM'000	The Group 2014 RM'000
Purchase of property, plant and equipment	4,351	4,927
Financed by hire-purchase arrangements	(207)	(75)
Cash payments on purchase of property, plant and equipment	4,144	4,852

(b) Included in the net book value of property, plant and equipment of the Group are assets acquired under hire-purchase as follows:

	The Group 2015 RM'000	The Group 2014 RM'000
Motor vehicles	803	1,070

13. INVESTMENT PROPERTIES

The Group	**Balance as of 1.4.2013/ 31.3.2014/ 1.4.2014 RM'000**	**Reclassified to assets held for sale (Note 27) RM'000**	**Balance as of 31.3.2015 RM'000**
At fair value:			
Leasehold land	3,700	(3,700)	-
Buildings	900	(900)	-
	4,600	(4,600)	-

In the previous financial year, the investment properties of a wholly-owned subsidiary of the Company with a carrying amount of RM4,600,000 had been charged as securities for credit facilities granted to the Group as disclosed in Note 32. The unexpired lease period of leasehold land was 94 years.

Direct operating expenses arising from investment properties generating rental income during the financial year are as follows:

	The Group 2015 RM'000	The Group 2014 RM'000
Quit rent and assessment	5	62

13. INVESTMENT PROPERTIES (cont'd)

Fair value information

In the previous financial year, investment properties were stated at Director's assessment of valuation which was determined annually by reference to a professional valuation. The latest professional valuation was carried out on 27 March 2013 by registered independent valuers, using comparison method of valuation, which is regarded to approximate the market value.

Accordingly, the fair values of commercial properties fall under Level 2 of the fair value hierarchy for financial year ended 31 March 2014.

14. INVESTMENTS IN SUBSIDIARY COMPANIES

	The Company	
	2015	**2014**
	RM'000	**RM'000**
Unquoted investments, at cost		
Ordinary shares	249,640	193,214
Redeemable preference shares ("RPS")	55,390	-
	305,030	193,214
Less: Impairment losses	(86)	(86)
	304,944	193,128

The salient terms of the RPS are as follows:

(a) The RPS shall carry the priority to any payment of dividend to any other classes of shares on a non-cumulative preferential dividend basis at the rate as may be determined by the Board of Directors;

(b) Each RPS shall entitle the holders to have repayment of capital in the event of a winding-up of the Company in priority to the ordinary shareholders;

(c) Each RPS holder shall not have further rights to participate in the surplus assets of the Company after repayment of capital in the event of a winding-up of the Company;

(d) The RPS may be redeemed at any time wholly or partly for the time being issued on a pro-rata basis amongst all holders of such shares, by giving not less than one (1) month's prior notice in writing of the intention of the holder to redeem the preference shares;

(e) The RPS may be redeemed at the nominal value of the preference share plus the premium paid on issue; and

(f) The registered holder of the RPS shall not have any right to vote at any general meeting of the Company, except in respect of proposed winding-up of the Company and variation or amendment of the rights attached to the preference shares.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows:

Name of company	Country of incorporation	Proportion of ownership interest and voting power held by the Group 2015 %	2014 %	Principal activities
Subsidiary companies of Global Oriental Berhad:				
Exceed Concept Sdn. Bhd. ("ECSB")	Malaysia	100	100	Project developer
Equine Park Stud Sdn. Bhd. ("EPS")	Malaysia	100	100	Property development
Kelab Taman Equine Sdn. Bhd. ("KTE")	Malaysia	100	100	Property development
Kuala Lumpur Industries Holdings Berhad ("KLIH")	Malaysia	100	100	Dormant
Kuala Lumpur Industries Berhad ("KLIB")	Malaysia	100	100	Dormant
Penaga Pesona Sdn. Bhd. ("PPSB")	Malaysia	100	100	Property development
Syarikat Tenaga Sahabat Sdn. Bhd. ("STS")	Malaysia	100	100	Property development
Taman Equine Riding Sdn. Bhd. ("TER")	Malaysia	100	100	Property development
Fame Action Sdn. Bhd. ("FASB") #	Malaysia	100	100	Property development
Parkamaya Sdn. Bhd. ("PSB")	Malaysia	100	100	Retail space leasing and retail businesses
Pedoman Ikhtisas Sdn. Bhd. ("PISB")	Malaysia	100	100	Dormant
Permai Construction Sdn. Bhd. ("PCSB")	Malaysia	100	100	Construction
Pertanian Taman Equine Sdn. Bhd. ("PTE")	Malaysia	100	100	Property development
Perwira Nadi Trading Sdn. Bhd. ("PNT") #	Malaysia	65	-	Trading and distribution
Taman Equine Industrial Sdn. Bhd. ("TEI")	Malaysia	100	100	Property development
Tujuan Ehsan Sdn. Bhd. ("TESB")	Malaysia	100	100	Property development
Mutual Crest Sdn. Bhd. ("MCSB")	Malaysia	100	100	Treasury services
Taman Equine (M) Sdn. Bhd. ("TEM")	Malaysia	100	100	Investment holding and property development
Versatile Flagship Sdn. Bhd. ("VFSB") #	Malaysia	100	100	Investment holding
Subsidiary company of PNT:				
Perwira Nadi (M) Sdn. Bhd. ("PNM") #	Malaysia	65	-	Dormant
Subsidiary company of TEM:				
Equine Park Country Resort Sdn. Bhd. ("EPCR")	Malaysia	100	100	Property development

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

The details of the subsidiary companies are as follows: (cont'd)

Name of company	Country of incorporation	Proportion of ownership interest and voting power held by the Group 2015 %	2014 %	Principal activities
Subsidiary companies of VFSB:				
Bright Express Sdn. Bhd. ("BESB") #	Malaysia	100	100	Restaurant operator (business discontinued during financial year)
Champion Vista Sdn. Bhd. ("CVSB") #	Malaysia	100	100	Restaurant operator
Dekad Sinaran Sdn. Bhd. ("DSSB") #	Malaysia	100	100	Dormant
Modern Treasures Sdn. Bhd. ("MTSB") #	Malaysia	100	100	Restaurant operator
Prima Pengkalan Sdn. Bhd. ("Prima") #	Malaysia	100	100	Restaurant operator
Vista Versatile Sdn. Bhd. ("VVSB") #	Malaysia	100	100	Restaurant operator
Global Oriental (Hong Kong) Limited ("GOHK") *	Hong Kong	100	-	Investment holding company
Global Oriental (Taiwan) Limited ("GOT") *	Taiwan	100	-	Dormant
Subsidiary companies of GOHK:				
Dalian Wanwan Food and Beverage Management Co. Ltd. ("DWFB") *	China	100	-	Dormant
Dalian Wanwan Bakery Co. Ltd. ("DWB") *	China	100	-	Dormant
Dalian Wanwan Milk Tea Co. Ltd. ("DWMT") *	China	100	-	Dormant
Dalian Wanwan Japanese Coffee Co. Ltd. ("DWJC") *	China	100	-	Dormant
Dalian Wanwan Italian Coffee Co. Ltd. ("DWIC") *	China	100	-	Dormant
Dalian Wanwan Grocery Co. Ltd. ("DWGC") *	China	100	-	Dormant
Dalian Wanxiang Food and Beverage Co. Ltd. ("DWXFB")*	China	100	-	Dormant

Audited by a firm other than Deloitte.

* These subsidiary companies are inactive presently and unaudited management accounts as of 31 March 2015 of the company were used in the preparation of the Group's financial statements.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group

Information about the composition of the Group at the end of reporting period is as follows:

Principal activities	Country of incorporation	Number of wholly-owned subsidiaries 2015	2014
Project developer	Malaysia	1	1
Property development	Malaysia	10	10
Construction	Malaysia	1	1
Investment holding and property development	Malaysia	1	1
Investment holding	Malaysia	1	1
Investment holding	Hong Kong	1	-
Treasury services	Malaysia	1	1
Restaurant operator	Malaysia	5	5
Retail space leasing and retail businesses	Malaysia	1	1
Dormant	Malaysia	4	4
Dormant	Taiwan	1	-
Dormant	China	7	-
		34	25

Principal activities	Country of incorporation	Number of non-wholly-owned subsidiaries 2015	2014
Trading and distribution	Malaysia	1	-
Dormant	Malaysia	1	-
		2	-

(a) Acquisition of new subsidiary companies

During the financial year, the following acquisitions of subsidiary companies were completed:

(i) The Company acquired 65% equity interest comprising 1,339,000 ordinary shares of RM1.00 each in PNT for a total cash consideration of RM50.00 million. Consequently, PNT became a subsidiary company of the Company.

(ii) VFSB, a wholly-owned subsidiary of the Company acquired the entire equity of GOHK, a private limited company incorporated in Hong Kong, with an authorised share capital of HKD1.00 comprising 1 ordinary share of HKD1.00 each for a total cash consideration of HKD1. Consequently, GOHK became a wholly-owned subsidiary of the Company.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(a) Acquisition of new subsidiary companies (cont'd)

Details of the new subsidiary companies are as follows:

Name	Principal Activities	Date of acquisition	Proportion of voting equity interests acquired %	Consideration transferred
Perwira Nadi Trading Sdn. Bhd.	Trading and distribution	1 April 2014	65	RM50.00 million
Global Oriental (Hong Kong) Limited ("GOHK")	Investment holding company	1 April 2014	100	HKD1

PNT and GOHK were acquired so as to reduce the Group's sole dependency on property development activities.

The acquisition of GOHK did not have any effect on the financial results of the Group as the said company has remained dormant subsequent to the acquisition.

Consideration transferred

	PNT RM'000
Cash	50,000
Contingent consideration arrangement	-
Total consideration transferred	50,000

Under the contingent consideration arrangement, the vendor is required to pay the Group the shortfall of a guaranteed profit of RM10.00 million, if PNT's audited profit after tax ("PAT") in each of the years 2014 and 2015 falls below the guaranteed level.

In line with the requirements of FRS 3 Business Combinations, the Group has considered its right to the shortfall under the arrangement if the profit guarantee is not achieved. As PNT's PAT for the past two years has been RM10.00 million on average, the Directors do not consider it is probable that this shortfall will received. Accordingly, the fair value of the contingent consideration arrangement on initial recognition is Nil.

The fair value of contingent consideration falls under level 3 of the fair value hierarchy for financial year ended 31 March 2015.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(a) Acquisition of new subsidiary companies (cont'd)

Assets acquired and liabilities recognised at the date of acquisition:

	PNT RM'000
Non-current assets	
Property, plant and equipment	39
Current assets	
Inventories	21,807
Trade and other receivables	10,855
Fixed deposits with a licensed bank	3,046
Cash and cash equivalents	582
Non-current liabilities	
Deferred tax liabilities	(57)
Current liabilities	
Trade and other payables	(3,739)
Bank overdraft	(1,228)
Current tax liability	(1,055)
	30,250

Goodwill arising on acquisition

	PNT RM'000
Consideration transferred	50,000
Plus: non-controlling interests	10,587
Less: fair value of identifiable net assets acquired	(30,250)
Goodwill arising on acquisition	30,337

Goodwill arose in the acquisition of PNT because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the revenue growth, future market development and the distribution network of PNT. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable assets.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(a) Acquisition of new subsidiary companies (cont'd)

<u>**Non-controlling interests in a subsidiary company**</u>

The Group's subsidiary company that has material non-controlling interests ("NCI") is as follows:

	PNT 2015
NCI percentage of ownership interest and voting interest	35%
Carrying amounts of NCI (RM'000)	10,633
Total comprehensive gain for the financial year attributable to NCI (RM'000)	3,546

Summarised financial information as of 31 March 2015 in respect of a subsidiary of the Company that has material non-controlling interests is set out as below. The summarised financial information below represents amounts before intra-group eliminations.

	PNT 2015 RM'000
Non-current assets	62
Current assets	48,218
Current liabilities	(17,766)
Non-current liabilities	(132)
Net assets	30,382
Equity attributable to owners of the Company	19,749
Non-controlling interests	10,633
Revenue	46,636
Expenses	(36,505)
Profit for the financial year	10,131
Profit attributable to owners of the Company	6,585
Profit attributable to non-controlling interest	3,546
Total comprehensive gain for the financial year	10,131

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(a) Acquisition of new subsidiary companies (cont'd)

Non-controlling interests in a subsidiary company (cont'd)

	PNT 2015 RM'000
Total comprehensive gain attributable to owners of the Company	6,585
Total comprehensive gain attributable to non-controlling interest	3,546
Cash flows from operating activities	3,157
Cash flows used in investing activities	(47)
Cash flows used in financing activities	(1,500)
Net increase in cash and cash equivalents	1,610

Net cash outflow on acquisition of a subsidiary company

	PNT 2015 RM'000
Consideration paid in cash	50,000
Add: cash and cash equivalents acquired (bank overdrafts)	646
Net cash outflow on acquisition	50,646

Impact of acquisitions on the results of the Group

Included in the profit for the year is RM6.59 million attributable to the additional business generated by PNT. Revenue for the year includes RM30.31 million in respect of PNT.

In the previous financial year, the Company acquired the entire share equity of MCSB, a private limited company incorporated in Malaysia, with an authorised share capital of RM400,000 comprising 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares have been issued and fully paid-up, for a cash consideration of RM2. Consequently, MCSB became a wholly-owned subsidiary of the Company.

(b) Incorporation of subsidiary companies

During the financial year,

(i) VFSB incorporated a new private limited company, Global Oriental (Taiwan) Limited in Taiwan with an authorised share capital of NTD50,000.00 comprising 5,000 ordinary shares of NTD10.00 each, which all have been issued and fully paid-up.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(b) Incorporation of subsidiary companies (cont'd)

(ii) GOHK subscribed for HKD10,000 in each of the following companies:

- DWFB, a limited liability company incorporated in China with an initial capital of HKD10,000.00;
- DWB, a limited liability company incorporated in China with an initial capital of HKD10,000.00;
- DWMT, a limited liability company incorporated in China with an initial capital of HKD10,000.00;
- DWJC, a limited liability company incorporated in China with an initial capital of HKD10,000.00;
- DWIC, a limited liability company incorporated in China with an initial capital of HKD10,000.00;
- DWGC, a limited liability company incorporated in China with an initial capital of HKD10,000.00; and
- DWXFB, a limited liability company incorporated in China with an initial capital of HKD10,000.00.

(c) Reorganisation of group structure

In the previous financial year, the Company undertook an internal restructuring exercise involving the transfer of the ownership of the following subsidiary companies from TEM and VFSB for a cash consideration of RM1 each to enhance the overall operational efficiency of the Group:

- 2 ordinary shares of RM1.00 each in the capital of PTE from TEM;
- 3 ordinary shares of RM1.00 each in the capital of TEI from TEM;
- 2,600,000 ordinary shares of RM1.00 each in the capital of PCSB from TEM;
- 2,600,000 ordinary shares of RM1.00 each in the capital of PSB from TEM;
- 2,501,000 ordinary shares of RM1.00 each in the capital of TESB from TEM;
- 1,000,000 ordinary shares of RM1.00 each in the capital of PISB from TEM; and
- 350,000 ordinary shares of RM1.00 each in the capital of FASB from VFSB.

14. INVESTMENTS IN SUBSIDIARY COMPANIES (cont'd)

Composition of the Group (cont'd)

(d) Subscription of additional ordinary shares in existing subsidiary companies

During the financial year, the Company subscribed for additional 650,000 ordinary shares in FASB for a total cash consideration of RM650,000.

In the previous financial year,

(i) VFSB subscribed for additional ordinary shares in the following subsidiary companies:

Name of Company	Number of ordinary share of RM1.00 each	Cash consideration RM
FASB	349,998	349,998
DSSB	349,998	349,998

(ii) TEM subscribed for additional ordinary shares in the following subsidiary company:

Name of Company	Number of ordinary share of RM1.00 each	Cash consideration RM
PISB	999,998	999,998

(e) Amount owing by/(to) subsidiary companies represent advances and payments made on behalf which are unsecured, bear interest at 3.25% (2014: Nil) per annum and repayable on demand.

15. OTHER INVESTMENT

	The Group	
	2015 RM'000	2014 RM'000
Available for sale:		
Unquoted equity shares in Malaysia, at cost	1	1

16. INVESTMENTS IN JOINT VENTURE

	The Group	
	2015 RM'000	2014 RM'000
Unquoted shares, at cost	250	-
Share of post-acquisition loss	(149)	-
	101	-

16. INVESTMENTS IN JOINT VENTURE (cont'd)

The Group's share of loss after tax of the joint venture which have been recognised in the financial statements amounted to RM148,728 (2014: RMNil).

Details of the joint venture, which is incorporated in Malaysia, are as follows:

Name	Proportion of ownership interest held by the Group 2015 %	2014 %	Principal Activity
Berkat Saga Sdn. Bhd. ("BSSB")	50	-	Restaurant operator

During the financial year, Versatile Flagship Sdn. Bhd. ("VFSB"), a wholly-owned subsidiary of the Company acquired 250,000 ordinary shares of RM1.00 each, representing a 50% equity interest in BSSB, for a total cash consideration of RM250,000.

Summarised financial information of BSSB is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

	The Group 2015 RM'000	2014 RM'000
Assets and Liabilities		
Current assets	106	-
Non-current assets	2,449	-
	2,555	-
Current liabilities	(3,379)	-
Results		
Revenue	453	-
Expenses, including income tax expense	(751)	-

17. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group 2015 RM'000	2014 RM'000
At beginning of the financial year	174,846	188,902
Additions during the financial year	48,893	8,316
Transferred to property development costs (Note 21)	-	(22,372)
Reclassified as assets held for sale (Note 27)	(22,117)	-
At end of the financial year	201,622	174,846

17. LAND HELD FOR PROPERTY DEVELOPMENT (cont'd)

	The Group 2015 RM'000	The Group 2014 RM'000
At cost		
Long term prepaid lease payments for land	146,742	122,590
Development costs	54,880	52,256
	201,622	174,846

Land held for property development of the Group amounting to RM175,561,980 (2014: RM151,631,802) has been charged to banks for credit facilities granted to the Group as disclosed in Notes 32 and 34.

As of 31 March 2015, the unexpired lease period of the leasehold land ranging from 78 to 97 years (2014: 79 to 98 years).

18. GOODWILL

	The Group 2015 RM'000	The Group 2014 RM'000
At beginning of the financial year	-	-
Arising from acquisition of a new subsidiary company	30,337	-
At end of the financial year	30,337	-

Impairment test for goodwill on consolidation

For the purpose of impairment testing, goodwill is allocated to the Group's investment in a subsidiary, Perwira Nadi Trading Sdn. Bhd. ("PNT") which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The recoverable amount of PNT was based on its value in use ("VIU") calculation using cash flow projections based on the Group's financial budgets covering a five-year period.

The key assumptions used for VIU calculations are:

(i) Budgeted gross margins

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year adjusted for expected efficiency improvements, market and economic conditions and internal resource efficiency, where applicable.

(ii) Growth rate

The long term annual growth rate of 7.10% (2014: Nil) used is consistent with the average long-term annual growth rate for the relevant industry.

(iii) Discount rate

The discount rate used for identified CGUs of 11.00% (2014: Nil) is on a basis that reflect specific risks relating to the CGU.

18. GOODWILL (cont'd)

Impairment test for goodwill on consolidation (cont'd)

The values assigned to the key assumptions represent management's assessment of future trends as well as historical data in the industry which are based on both external and internal sources.

Premised on the above, the carrying amount of the Group's investment in a subsidiary, PNT was determined to be lower than the recoverable amount and no impairment loss was recognised.

The Directors believe that no reasonably foreseeable changes in any of the above key assumptions would cause the carrying amount of the Group's investment in a subsidiary, PNT to materially exceed their recoverable amount.

19. DEFERRED TAX (ASSETS)/LIABILITIES

	The Group	
	2015 RM'000	**2014 RM'000**
Presented after appropriate offsetting:		
Deferred tax assets, net	(55,327)	(18,221)
Deferred tax liabilities, net	18,243	19,760
	(37,084)	1,539

(a) The movement in deferred tax assets and liabilities during the financial year is as follows:

	The Group	
	2015 RM'000	**2014 RM'000**
At beginning of financial year	1,539	6,509
Arising from acquisition of a new subsidiary company	57	-
Recognised in profit or loss (Note 10):		
- crystallisation of surplus on revaluation of long term leasehold land in subsidiary companies that is reflected as cost to the Group	(1,623)	(1,401)
- property, plant and equipment	(22)	(16)
- disposal of land and investment property	(32,287)	-
- provisions	(5,132)	(4,724)
- unabsorbed capital allowances	(8)	(10)
- unutilised tax losses	321	1,181
- unrealised foreign exchange gain	71	-
	(38,680)	(4,970)
At end of financial year	(37,084)	1,539

19. DEFERRED TAX (ASSETS)/LIABILITIES (cont'd)

(b) The components and movements of deferred tax liabilities at end of the financial year are as follows:

The Group	Property, plant and equipment RM'000	Revaluation surplus* RM'000	Unrealised gain on foreign exchange RM'000	Total RM'000
2015				
At beginning of financial year	52	19,708	-	19,760
Arising from acquisition of a new subsidiary	9	-	48	57
Recognised in profit or loss	(22)	(1,623)	71	(1,574)
At end of financial year	39	18,085	119	18,243

	Property, plant and equipment RM'000	Revaluation surplus* RM'000	Total RM'000
2014			
At beginning of financial year	68	21,109	21,177
Recognised in profit or loss	(16)	(1,401)	(1,417)
At end of financial year	52	19,708	19,760

* These are surplus on revaluation of investment properties, land held for property development, property development costs and inventories that are reflected as the cost of the Group.

(c) The components and movements of deferred tax assets at end of the financial year are as follows:

The Group	Disposal of land and investment property RM'000	Provisions RM'000	Unutilised tax losses RM'000	Unabsorbed capital allowances RM'000	Total RM'000
2015					
At beginning of financial year	-	7,231	10,980	10	18,221
Recognised in profit or loss	32,287	5,132	(321)	8	37,106
At end of financial year	32,287	12,363	10,659	18	55,327

19. DEFERRED TAX (ASSETS)/LIABILITIES (cont'd)

(c) The components and movements of deferred tax assets at end of the financial year are as follows: (cont'd)

The Group	Provisions RM'000	Unutilised tax losses RM'000	Unabsorbed capital allowances RM'000	Total RM'000
2014				
At beginning of financial year	2,507	12,161	-	14,668
Recognised in profit or loss	4,724	(1,181)	10	3,553
At end of financial year	7,231	10,980	10	18,221

The amounts of temporary differences, unused tax losses and unabsorbed capital allowances for which no deferred tax assets have been recognised in the financial statements due to uncertainty of its realisation are as follows:

	The Group 2015 RM'000	The Group 2014 RM'000
Provisions	13,415	10,055
Unutilised tax losses	16,911	13,238
Unabsorbed capital allowances	2,417	1,892
	32,743	25,185

Deferred tax assets have not been recognised in respect of these items as it is not probable that taxable profits of certain subsidiary companies will be available against which the deductible temporary differences can be utilised.

The unused tax losses and unabsorbed capital allowances are available for offset against future taxable profits of the subsidiary companies, subject to the agreement by the tax authorities.

20. INVENTORIES

	The Group 2015 RM'000	The Group 2014 RM'000
Completed development properties:		
- at cost	14,246	10,338
- at net realisable value	1,092	1,092
Consumable goods - at cost	26,609	592
	41,947	12,022
Recognised in profit or loss:		
Inventories recognised as cost of sales	38,964	7,135

21. PROPERTY DEVELOPMENT COSTS

	The Group 2015 RM'000	The Group 2014 RM'000
At beginning of financial year	761,026	546,142
Costs incurred during the financial year:		
- transferred from land held for property development (Note 17)*	-	22,372
- interest imputed on landowners' entitlement	9,685	1,846
- development costs	247,079	218,126
	1,017,790	788,486
Transferred to inventories	(3,916)	(816)
Reversal of completed projects	(250,160)	(26,644)
	763,714	761,026
Costs charged to profit or loss:		
- previous years	(373,687)	(168,826)
- current year	(256,126)	(231,505)
- reversal of completed projects	250,160	26,644
	(379,653)	(373,687)
At end of financial year	384,061	387,339

	The Group 2015 RM'000	The Group 2014 RM'000
Included in the property development costs are as follows:		
- long-term prepaid leasehold lands	18,379	22,094
- development costs	185,319	176,817
- landowners' entitlement	180,363	188,428
	384,061	387,339

* Transfer from land held for property development consists of the following:

	The Group 2015 RM'000	The Group 2014 RM'000
Land costs	-	12,477
Development costs	-	9,895
	-	22,372

Interest amounting to RM15,046,038 (2014: RM9,299,099) are capitalised in the development costs of the Group at the rate of 7.88% (2014: 7.88%) per annum.

Property development costs of the Group amounting to RM384,060,518 (2014: RM387,339,379) have been charged to banks for credit facilities granted to the Group as disclosed in Note 32.

22. ACCRUED BILLINGS

	The Group	
	2015	**2014**
	RM'000	**RM'000**
Revenue recognised in profit or loss to-date	479,070	508,948
Progress billings todate	(288,547)	(475,522)
	190,523	33,426

23. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(a) Trade receivables:

	The Group	
	2015	**2014**
	RM'000	**RM'000**
Non-current:		
Stakeholders' sum	-	921
Current:		
Trade receivables	42,185	52,098
Less: Allowance for doubtful debts	(647)	(540)
	41,538	51,558
	41,538	52,479

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost. All amounts other than stakeholders' sum are classified as current assets.

The credit terms offered by the Group in respect of trade receivables (other than development land buyers) range from 14 to 30 days (2014: 14 to 30 days) from the date of invoice and progress billing. The amount outstanding from purchasers, bears interest at rate ranging from 10% to 12% (2014: 10% to 12%) per annum.

The credit terms offered by the Group to development land buyers varies according to their respective sale and purchase agreements.

At the end of the financial year, there were no customers which individually represent more than 10% of the total trade receivables balances.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due at the end of the reporting period but against which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral or other credit enhancements over these balances nor do they have a legal right to offset against any amounts owed by the Group to the counterparty.

23. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (cont'd)

(a) Trade receivables: (cont'd)

Movement in allowance for doubtful debts:

	The Group	
	2015	**2014**
	RM'000	**RM'000**
At beginning of the financial year	540	395
Arising from acquisition of a new subsidiary company	64	-
Allowance made during the financial year	43	180
Amount written off	-	(35)
At end of the financial year	647	540
Ageing of past due but not impaired:		
Past due < 2 months	12,015	13,248
Past due 2 - 4 months	4,423	2,875
Past due > 4 months	13,523	15,182
	29,961	31,305
Ageing of impaired:		
Past due > 4 months	647	540

(b) Other receivables, deposits and prepayments:

	The Group		The Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Other receivables	23,738	22,560	6,506	2
Refundable deposits	9,968	3,316	1,200	2
Deposit for acquisition of a subsidiary of the Company	-	50,000	-	50,000
Prepayments	192	7,116	-	139
	33,898	82,992	7,706	50,143
Less: Allowance for doubtful debts	(1,334)	(1,334)	-	-
	32,564	81,658	7,706	50,143

(i) Included in other receivables is an amount of RM10,363,443 (2014: RM15,848,821) owing by a former associate of the Group. The amount arose mainly from collections from purchasers received on behalf by the former associate.

(ii) In the previous financial year, deposit for acquisition of a subsidiary company represents the purchase consideration for the acquisition of 65% equity interest in Perwira Nadi Trading Sdn. Bhd. amounting to RM50,000,000. The acquisition has been completed in the current financial year.

23. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (cont'd)

(b) Other receivables, deposits and prepayments: (cont'd)

Movement in allowance for doubtful debts:

	The Group	
	2015 RM'000	**2014 RM'000**
At beginning of the financial year	1,334	1,345
Amount written off	-	(11)
At end of the financial year	1,334	1,334

24. RELATED PARTY TRANSACTIONS

Significant related party disclosures during the financial year are as follows:

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Subsidiary companies:				
Interest income received	-	-	381	-
Remuneration paid to key management personnel	5,710	2,563	726	247
Related parties:				
Sales of development properties to Directors, key management personnel and/or family member(s)	1,749	1,942	-	-

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include Executive Directors and Non-Executive Directors of the Company and certain members of senior management of the Group and of the Company.

25. SHORT-TERM FUNDS

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Available for sale:				
Investments in funds in Malaysia	7,224	2,029	10	-

26. FIXED DEPOSITS, CASH AND BANK BALANCES

	The Group		The Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Fixed deposits with licensed banks	10,372	6,995	1,295	1,235
Cash in hand and at banks	28,393	31,363	2,763	82
Housing Development Accounts	21,221	22,996	-	-
	59,986	61,354	4,058	1,317

(a) Fixed deposits with licensed banks have maturity periods ranging from 1 to 12 months (2014: 1 to 12 month) and earn interest at the effective interest rates ranging from 2.95% to 3.20% (2014: 2.95% to 3.20%) per annum.

(b) Included in fixed deposits with licensed banks are deposits pledged for bank guarantees and borrowings granted to the Group and the Company as disclosed in Note 32 as follows:

	The Group		The Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Deposits pledged with licensed banks	10,372	6,995	1,295	1,235

(c) Bank balances held under Housing Development Accounts which are maintained in designated Housing Development Accounts pursuant to the Housing Development (Control and Licensing) Act, 1966 and Housing Development (Housing Development Account) Regulations, 1991 in connection with the Group's property development projects. The utilisation of these balances are restricted, before completion of the housing development and fulfilling all relevant obligations to the purchasers, the cash could only be withdrawn from such accounts for the purpose of completing the particular projects concerned.

(d) Information on financial risks of fixed deposits, cash and bank balances are disclosed in Note 38.

27. ASSETS HELD FOR SALE

	The Group	
	2015	2014
	RM'000	RM'000
Investment properties (Note 13)	4,600	-
Land held for property development (Note 17)	22,117	-
	26,717	-

On 4 November 2014, Taman Equine Industrial Sdn. Bhd., a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to dispose of two parcels of leasehold land and properties with carrying amount of RM26.72 million for a total cash consideration of RM142.35 million. The said disposal was completed subsequent to the financial year end.

As of the end of the financial year, the said disposal is pending completion of the sale and purchase agreement and consequently, the properties have been reclassified as assets held for sale.

28. SHARE CAPITAL

	The Group and The Company			
	2015	**2015**	**2014**	**2014**
	RM'000	**Unit'000**	**RM'000**	**Unit'000**
Authorised:				
Ordinary shares of RM0.50 each (2014: RM1.00 each)				
At the beginning of financial year	500,000	500,000	500,000	500,000
Reduction of par value	(250,000)	-	-	-
Created during the financial	250,000	500,000	-	-
	500,000	1,000,000	500,000	500,000
Issued and fully paid-up:				
At beginning of financial year	227,338	227,338	227,338	227,338
Reduction of par value	(113,669)	-	-	-
Rights issue with warrant	113,669	227,338	-	-
At end of financial year	227,338	454,676	227,338	227,338

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

During the financial year, the Company reduced the par value of its shares by RM0.50 for each existing ordinary share of RM1.00 in issue prior to the rights issue of 227,338,321 shares at an issue price of RM0.50 each as stated in Note 39(a) (i&ii).

Share Options

During the financial year, the Company granted 12,386,187 share options to the eligible employees and directors of the Group pursuant to the Employees' Share Option Scheme ("ESOS").

The salient features of the ESOS are as follows:

(a) The total number of shares ("Option") which may be made available shall not exceed 15% of the issued and paid-up share capital of the Company at the time of offer of the ESOS;

(b) The ESOS shall be in force for a duration of ten years;

(c) All employees, including Directors, who are confirmed full-time employees of the Company and have been serving for at least one year within the Group are eligible;

(d) Any allocation of options under the ESOS to a Director, major shareholder or the chief executive of the Company or any person connected (as defined in the Main Market Listing of Bursa Securities) with them of the Company shall require prior approval from the shareholders of the Company at a general meeting;

(e) No option shall be granted for more than the maximum allowable allotment as follows:

  (i) the number of options allocated, in aggregate, to the directors and senior management of the Group shall not exceed 75% of the total options available under the ESOS; and

  (ii) the number of options allocated to any individual director or executive who, either singly or collectively through his/her associates (as defined in the Companies Act, 1965), shall not exceed 10% of the total options available under the ESOS.

28. SHARE CAPITAL (cont'd)

Share Options (cont'd)

(f) The option price shall be at a discount of not more than 10% from the weighted average market price of the Company as shown in the Daily Official List issued by Bursa Malaysia Securities Berhad for the five market days immediately preceding the date of offer or at par value of the ordinary shares of the Company, whichever is higher;

(g) The ESOS Committee may at any time and from time to time, before and/or after an option is granted, limit the exercise of the number and/or percentage of the option offered during the duration of the ESOS and impose any other terms and/or conditions deemed appropriate by the ESOS Committee in its sole discretion including amending or varying any terms and conditions imposed earlier; and

(h) The exercise price and the number of new ordinary shares comprised in the Options are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions in the By-Laws. However, no adjustment shall be made in any event whereby the exercise price would be reduced to below the par value of ordinary share in the Company.

During the financial year ended 31 March 2015, the exercise price and number of options over ordinary shares have been adjusted in accordance with the provisions of the By-Laws (as mentioned in Note 28(h)) as a result of the rights issue.

The adjustments to the exercise price of ESOS are as follows:

	Exercise price per Option	
	Before adjustments RM	After rights issue RM
8 September 2014	1.00	0.76

The movements in the Company's Options are as follows:

	Number of options over ordinary shares of RM0.50 each					
Offer Date	Balance as of 1.4.2014 Unit'000	Granted Unit'000	Adjusted for rights issue Unit'000	Exercised Unit'000	Forfeited Unit'000	Balance as of 31.3.2015 Unit'000
8.9.2014	-	9,290	3,096	-	(293)	12,093

The options were granted on 8 September 2014 with an estimated fair value of 69.18 sen per option. The option outstanding at the end of the financial year has a remaining contractual life of approximately 10 years.

The number of granted options which are exercisable by the employees and Directors within a specified period are tied to the Group's completion of its Corporate Proposal as disclosed in Note 39(a)(ii) and subject to the approval of ESOS Committee.

The fair values were calculated using the Black-Scholes Pricing Model. The inputs into the model were as follows:

	Options granted on 8 September 2014
Share price	RM1.08
Exercise price	RM1.00
Expected volatility	45%
Expected life (days to expiry)	3,652 days
Risk free rate	4%
Expected dividend yield	0%

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome. The expected life used is based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

28. SHARE CAPITAL (cont'd)

Warrants

During the financial year, the Company issued 113,669,147 new detachable warrants ("Warrant(s)") pursuant to the rights shares issued during the year.

The Warrants are constituted by the Deed Poll dated 19 November 2014 ("Deed Poll").

The salient features of the Warrants are as follows:

(a) Each Warrant entitles the registered holder thereof ("Warrant holders") to subscribe for one (1) new ordinary share of RM0.50 in the Company at the exercise price of RM0.80 during the 5-year period expiring on 24 December 2019 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll;

(b) At the expiry of the Exercise Period, any Warrant which has not been exercised shall automatically lapse and cease to be valid for any purpose;

(c) Warrant holders must exercise the Warrants in accordance with the procedures set out in the Deed Poll and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, except that they shall not be entitled to any dividend, right, allotments and/or other distributions declared by the Company, which entitlement date thereof precedes the allotment date of the new shares allotted pursuant to the exercise of the Warrants; and

(d) The Deed Poll and accordingly the Warrants, are governed by and shall be construed in accordance with the laws of Malaysia.

Movement in the Warrants during the financial year is as follows:

	Number of warrants over ordinary shares of RM0.50 each			
	Balance as of 1.4.2014 Unit'000	**Granted Unit'000**	**Exercised Unit'000**	**Balance as of 31.3.2015 Unit'000**
Number of unexercised Warrants	-	113,669	-	113,669

29. RESERVES

	The Group		**The Company**	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Non-distributable:				
Capital reserve	91,037	-	91,037	-
Share option reserve	6,258	-	6,258	-
Warrant reserve	20,227	-	20,227	-
Foreign currency translation reserve	(39)	-	-	-
	117,483	-	117,522	-
Distributable:				
Retained earnings	94,714	64,176	38,603	35,381
	212,197	64,176	156,125	35,381

The movement in each category of the reserves are disclosed in the statement of changes in equity.

29. RESERVES (cont'd)

Capital reserve

Capital reserve represents the credit surplus arising from the reduction of par value of RM0.50 each amounting to RM113,669,147 after setting off the issuance of warrants pursuant to the rights shares issued and payment for rights issue expenses as of 31 March 2015.

	The Group RM'000	The Company RM'000
Balance as of 1 April 2014	-	-
Reduction of par value	113,669	-
Issuance of warrants pursuant to the rights shares issued	(20,227)	-
Payment for rights issue expenses	(2,405)	-
Balance as of 31 March 2015	91,037	-

Share option reserve

Share options reserve, which relates to the equity-settled share options granted to eligible employees by the Group and the Company, represents the fair value of the employee services received in exchange for the grant of options.

Warrant reserve

Warrant reserve relates to the fair value of warrants in relation to the right shares issued during the year. During the financial year, the Company issued 113,669,147 new detachable warrants ("Warrant(s)") pursuant to the rights shares issued during the year as mentioned in Notes 28 and 39 (a)(ii). The fair value of the warrant was determined based on its quoted price at the issuance date.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Retained earnings

As of 31 March 2015, the entire retained earnings of the Company is available for distribution as single-tier dividends.

30. REDEEMABLE PREFERENCE SHARES

	The Group	
	2015 RM'000	2014 RM'000
960,784 redeemable preference shares of RM1.00 each	961	-

On 17 October 2014, Pedoman Ikhtisas Sdn. Bhd. ("PISB"), a wholly-owned subsidiary of the Company, has entered into Subscription Agreement with a third party, to issue 960,784 redeemable preference shares ("RPS") of RM1.00 each.

30. REDEEMABLE PREFERENCE SHARES (cont'd)

The salient features of the RPS are as follows:

(a) The RPS shall rank behind all secured and unsecured obligations of PISB but will rank in priority to the ordinary shares of PISB in respect of return of capital upon liquidation or otherwise for the par value of the RPS. All RPS shall rank pari passu amongst one another;

(b) The total issued and paid-up preference share capital shall always represent 49% of the total share capital of PISB;

(c) The RPS shall not bear any fixed dividend. No dividend shall be paid on the ordinary shares of PISB unless the dividends on the RPS have been paid on the basis that the dividend payable on each RPS shall not be lesser than the dividends payable on the ordinary shares for any of the financial year;

(d) Each RPS entitles the holder to participate in any distributions of PISB (including dividends) on the basis that such distribution accrued to/payable on each RPS shall not be lesser than the distributions declared and/or payable in respect of each ordinary share;

(e) Each RPS entitles the holder to participate in any further preference shares issued/offered by PISB;

(f) The registered holder of the RPS shall not have any right to vote at any general meeting of PISB, unless the meeting was converted for the purpose of reducing the capital, or winding-up or where the proposition to be submitted to the meeting directly affects the rights and privileges of the holder of RPS;

(g) The RPS shall not be convertible into ordinary shares of PISB; and

(h) The RPS may be redeemable wholly in cash at the option of PISB or the subscriber, upon full completion of the mixed development project undertaken by PISB and full disposal of all saleable development units of the said project. Partial redemption is not permissible.

31. BORROWINGS - SECURED

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Current liabilities				
Bank loans	38,000	104,500	25,000	25,000
Hire-purchase creditors	437	425	-	-
Bank overdrafts	3,145	580	-	-
	41,582	105,505	25,000	25,000
Non-current liabilities				
Bank loans	211,879	115,512	-	40,000
Hire-purchase creditors	625	875	-	-
	212,504	116,387	-	40,000
	254,086	221,892	25,000	65,000
Total borrowings				
Bank loans (Note 32)	249,879	220,012	25,000	65,000
Hire-purchase creditors (Note 33)	1,062	1,300	-	-
Bank overdrafts (Note 34)	3,145	580	-	-
	254,086	221,892	25,000	65,000

31. BORROWINGS - SECURED (cont'd)

Information on financial risks of the borrowings is disclosed in Note 38.

The borrowings are denominated in Ringgit Malaysia.

The Group's bank loans bear interest at floating rate and hence, their carrying amounts approximate the fair values.

32. BANK LOANS

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Secured				
Bridging loan I	4,967	1,041	-	-
Bridging loan II	-	677	-	-
Bridging loan III	-	77,294	-	-
Bridging loan IV	1,976	-	-	-
Term loan I	10,000	10,000	-	-
Term loan II	12,000	20,000	-	-
Term loan III	-	4,000	-	-
Term loan IV	-	40,000	-	40,000
Term loan V	169,236	-	-	-
Term loan VI	26,700	-	-	-
Tawarruq flexi term financing-*i*	-	35,000	-	-
Revolving credit	25,000	32,000	25,000	25,000
Total (Note 31)	249,879	220,012	25,000	65,000
Borrowings are repayable as follows:				
Current	38,000	104,500	25,000	25,000
Non-current:				
More than 1 year and within 2 years	26,112	76,171	-	11,200
More than 2 years and within 5 years	185,767	39,341	-	28,800
	249,879	220,012	25,000	65,000

The Group and the Company have revolving credit, bridging loans, term loans and other banking facilities totalling RM488,700,000 and RM25,000,000 (2014: RM389,000,000 and RM65,000,000) respectively. These facilities bear interest rates ranging from 7.85% to 8.35% (2014: 6.13% to 8.10%) per annum.

The bank loans are secured as follows:

(a) a charge over investment properties of the Group amounting to RMNil (2014: RM4,600,000) as disclosed in Note 13;

(b) a charge over land held for property development of the Group amounting to RM173,852,945 (2014: RM149,932,067) as disclosed in Note 17;

(c) a charge over property development costs of the Group amounting to RM384,060,518 (2014: RM387,339,379) as disclosed in Note 21;

32. BANK LOANS (cont'd)

The bank loans are secured as follows: (cont'd)

(d) a specific debenture over the Group's development projects;

(e) assignment of all proceeds derived from the proposed projects of certain subsidiary companies, including all monies standing in credit in the Housing Development Accounts and Project Development Accounts opened and maintained or to be opened and maintained by the subsidiary companies subject to the provisions of the relevant regulations;

(f) assignment of all rights, interests and benefits arising from insurance policies, construction contracts, construction guarantees and performance bonds; and

(g) pledge of certain fixed deposits of the Group and of the Company as disclosed in Note 26(b).

The bank loans are repayable as follows:

(a)	Bridging loan I	:	by way of 35 equal monthly principal instalments of RM640,000 each and final principal instalment of RM600,000, the first instalment to commence on the 25th month from the first date of first drawdown or by way of redemption.
(b)	Bridging loan II	:	by way of 8 equal quarterly principal instalments of RM1,250,000 each, the first instalment to commence on the first day of the 16th month from the date of full drawdown or by way of redemption. The said loan has been fully settled during the financial year.
(c)	Bridging loan III	:	by way of 20 equal monthly principal instalments of RM2,000,000 each, the first instalment to commence on the 19th month from the date of its first release or by way of redemption. The said loan has been fully settled during the financial year.
(d)	Bridging loan IV	:	by way of 8 equal quarterly principal instalments of RM3,750,000 each, the first instalment to commence on the first day of the 16th month from the date of full drawdown or by way of redemption.
(e)	Term loan I	:	by way of 4 equal quarterly principal instalments of RM2,500,000 each, the first instalment to commence on the first day of the 28th month from the date of first drawdown.
(f)	Term loan II	:	by way of 8 equal quarterly principal instalments of RM2,000,000 each and final principal instalment of RM4,000,000, the first instalment to commence on the first day of the 13th month from the date of full drawdown.
(g)	Term loan III	:	by way of 8 equal quarterly principal instalments of RM500,000 each, the first instalment to commence on the first day of the 16th month from the date of first drawdown. The said loan has been fully settled during the financial year.
(h)	Term loan IV	:	by way of 6 equal quarterly principal instalments of RM5,600,000 each and final principal instalment of RM6,400,000, the first instalment to commence on the first day of the 19th month from the date of first drawdown. The said loan has been fully settled during the financial year.
(i)	Term loan V	:	by way of 11 equal quarterly principal instalments of RM13,000,000 each and final principal instalment of RM137,000,000, the first instalment to commence on the 27th month from the date of first drawdown.

32. BANK LOANS (cont'd)

The bank loans are repayable as follows: (cont'd)

(j)	Term loan VI	:	by way of 60 equal monthly principal instalments of RM445,000 each, the first instalment to commence on the 37th month from the date of first drawdown.
(k)	Tawarruq flexi term financing-*i*	:	by way of payment of the sales price under each disbursement either 30th, 60th, 90th, 120th days or any other period as stated in the sales offer. The said loan has been fully settled during the financial year.
(l)	Revolving credit	:	on the maturity date of each drawdown, the Company may elect to either repay part or full principal sum together with all interest due thereon or to roll-over the full principal sum or the balance of the principal sum not repaid for another interest period.

33. HIRE-PURCHASE CREDITORS

	The Group	
	2015	**2014**
	RM'000	**RM'000**
Minimum hire-purchase payments:		
- Within 1 year	483	478
- More than 1 year and within 2 years	375	429
- More than 2 years and within 5 years	288	506
	1,146	1,413
Less: Interest-in-suspense	(84)	(113)
Total (Note 31)	1,062	1,300
Repayable as follows:		
Current liabilities:		
- Within 1 year	437	425
Non-current liabilities:		
- More than 1 year and within 2 years	350	400
- More than 2 years and within 5 years	275	475
	625	875
	1,062	1,300

The interest rate implicit in the hire-purchase obligations is 5.13% (2014: 5.13%) per annum. Interest rates are fixed at the inception of the hire-purchase arrangements.

34. BANK OVERDRAFTS

The Group

As of 31 March 2015, the Group has secured overdraft facilities from local licensed banks of RM3,145,187 (2014: RM579,571).

The bank overdrafts are secured by land held for property development amounting to RM1,709,035 (2014: RM1,699,735) as disclosed in Note 17.

35. TRADE PAYABLES AND OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Trade payables:				
Non-current:				
Land entitlement payable	27,785	84,093	-	-
Retention sums	8,556	5,717	-	-
	36,341	89,810	-	-
Current:				
Trade payables	122,392	110,211	-	-
Retention sums	25,064	17,449	-	-
	147,456	127,660	-	-
	183,797	217,470	-	-
Other payables and accruals:				
Other payables	15,937	11,796	-	2
Accruals	10,306	6,649	342	417
Deposits received	53,634	11,696	-	-
	79,877	30,141	342	419

Trade payables comprise amounts outstanding for trade purchase and ongoing costs.

(a) The credit terms available to the Group in respect of current trade payables range from 30 to 60 days (2014: 30 to 60 days) from the date of invoice and progress claim.

(b) Included in trade payables is the landowner's entitlement which has been recorded at fair value on initial recognition and subsequently measured at amortised cost.

(c) Included in deposit received is part of sales consideration amounting to RM45,538,044 received from an independent third party, which in accordance with terms and conditions of Sales and Purchase Agreement signed.

36. PROVISIONS

	Provision for liquidated and ascertained damages RM'000	Provision for bumiputra quota penalties RM'000	Provision for sales incentives RM'000	Total RM'000
The Group				
2015				
At beginning of financial year	131	43,870	4,551	48,552
Provisions	12	1,511	3,035	4,558
Payments	(100)	(2,642)	(1,899)	(4,641)
At end of financial year	43	42,739	5,687	48,469
2014				
At beginning of financial year	2,504	17,771	1,671	21,946
(Reversal)/Provisions	(136)	26,920	4,200	30,984
Payments	(2,237)	(821)	(1,320)	(4,378)
At end of financial year	131	43,870	4,551	48,552

37. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Fixed deposits, cash and bank balances (Note 26)	59,986	61,354	4,058	1,317
Bank overdrafts (Note 34)	(3,145)	(580)	-	-
	56,841	60,774	4,058	1,317
Less: Fixed deposits pledged (Note 26(b))	(10,372)	(6,995)	(1,295)	(1,235)
	46,469	53,779	2,763	82

38. FINANCIAL INSTRUMENTS

Capital Risk Management

The objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The Group's overall strategy remains unchanged since 2014.

The Board of Directors reviews the capital structure of the Group on a regular basis. As part of the review, the Board of Directors considers the cost of capital and risk associated with each class of capital.

38. FINANCIAL INSTRUMENTS (cont'd)

Capital Risk Management (cont'd)

The net gearing ratio at the end of the reporting period is as follows:

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Debt (i)	254,086	221,892	25,000	65,000
Less: Fixed deposits, cash and bank balances	(59,986)	(61,354)	(4,058)	(1,317)
Net debt	194,100	160,538	20,942	63,683
Equity (ii)	439,535	291,514	383,463	262,719
Net debt to equity ratio (%)	44	55	5	24

(i) Debt is defined as liabilities associated with borrowings as disclosed in Note 31.

(ii) Equity is defined as share capital and reserves.

Significant Accounting Policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement and the bases for recognition of income and expenses), for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

Categories of Financial Instruments

	The Group		The Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Financial assets				
Available for sale:				
Other investment	1	1	-	-
Short-term funds	7,224	2,029	-	-
Loans and receivables:				
Trade receivables	41,583	52,479	-	-
Other receivables	22,404	21,226	6,506	2
Refundable deposits	9,968	3,316	1,200	2
Amount owing by subsidiary companies	-	-	92,162	130,619
Fixed deposits, cash and bank balances	59,986	61,354	4,058	1,317
Financial liabilities				
Other financial liabilities:				
At amortised costs:				
Trade payables	183,797	217,470	-	-
Other payables	15,937	11,796	-	2
Accruals	10,306	6,649	342	417
Deposits received	8,096	11,696	-	-
Amount owing to subsidiary companies	-	-	28	47,146
Borrowings	254,086	221,892	25,000	65,000
Redeemable preference shares	961	-	-	-

38. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives

The operations of the Group are subject to a variety of financial risk which includes interest rate risk, credit risk, and liquidity and cash flow risk.

The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

(a) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing deposits, hire-purchase creditors and borrowings.

The Group's and the Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate exposure is measured using sensitivity analysis as disclosed below:

<u>Interest Rate Sensitivity Analysis</u>

The sensitivity analysis below has been determined based on the exposure to interest rates for both borrowings and deposits with licensed bank at the end of the reporting period. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's profit/(loss) for the year would decrease/increase by RM1,213,258 (2014: RM1,067,625) and RM118,524 (2014: RM318,825) respectively. This is mainly attributable to the Group's and the Company's exposure to interest rates on borrowings and deposits with financial institutions.

(b) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group.

The Group is exposed to credit risk mainly from its customer base, including trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

<u>Exposure to credit risk</u>

At the reporting date, the Group's and the Company's maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other receivables, deposits with licensed banks and cash and bank balances.

Notes to the Financial Statements

38. FINANCIAL INSTRUMENTS (cont'd)

(c) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's and the Company's short, medium and long-term funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows.

Analysis of financial instruments by remaining contractual maturities

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

The Group	Weighted average effective interest rate %	Within 1 year RM'000	More than 1 year and within 2 years RM'000	More than 2 years and within 5 years RM'000	Total RM'000
2015					
Financial liabilities					
Non-interest bearing					
Trade payables	8.3	147,456	29,916	7,763	185,135
Other payables	-	15,937	-	-	15,937
Accruals	-	10,306	-	-	10,306
Deposits received	-	8,096	-	-	8,096
Redeemable preference shares	-	-	563	398	961
Interest bearing					
Borrowings:					
Bank loans	8.2	56,006	42,559	203,337	306,902
Hire-purchase creditors	5.1	483	375	288	1,146
Bank overdrafts	9.1	3,145	-	-	3,145
		241,429	73,413	216,786	531,628
2014					
Financial liabilities					
Non-interest bearing					
Trade payables	8.3	127,660	97,526	3,827	229,013
Other payables	-	11,796	-	-	11,796
Accruals	-	6,649	-	-	6,649
Deposits received	-	11,696	-	-	11,696
Interest bearing					
Borrowings:					
Bank loans	7.4	111,521	85,054	40,496	237,071
Hire-purchase creditors	5.1	478	429	506	1,413
Bank overdrafts	9.1	632	-	-	632
		270,432	183,009	44,829	498,270

38. FINANCIAL INSTRUMENTS (cont'd)

(c) Liquidity Risk Management (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

The Company	Weighted average effective interest rate %	Within 1 year RM'000	More than 1 year and within 2 years RM'000	More than 2 years and within 5 years RM'000	Total RM'000
2015					
Financial liabilities					
Non-interest bearing					
Accruals	-	342	-	-	342
Interest bearing					
Amount owing to subsidiary companies	3.3	28	-	-	28
Bank loans	7.9	25,000	-	-	25,000
		25,370	-	-	25,370
2014					
Financial liabilities					
Non-interest bearing					
Other payables	-	2	-	-	2
Accruals	-	417	-	-	417
Amount owing to subsidiary companies	-	47,146	-	-	47,146
Financial guarantee*	-	-	-	-	-
Interest bearing					
Bank loans	6.7	25,095	15,847	29,707	70,649
		72,660	15,847	29,707	118,214

* At the end of the reporting period, it was not probable that the counterparties to financial guarantee contracts will claim under the contract. Consequently, the amount included is negligible.

Fair Value of Financial Assets and Liabilities

(i) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	23
Redeemable preference shares	30
Borrowings	31
Trade and other payables	35

38. FINANCIAL INSTRUMENTS (cont'd)

(c) Liquidity Risk Management (cont'd)

Fair Value of Financial Assets and Liabilities (cont'd)

(i) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value (cont'd)

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date. The fair values of long-term financial assets and liabilities are determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting date. There is no material difference between the fair values and carrying values of these assets and liabilities as of the reporting date. The Group's long-term loans bear interest at floating rates and hence their carrying amounts approximate fair values.

(ii) Fair Value Hierarchy

The table below provide an analysis of fair value of financial instruments that are measured at fair value. The different levels have been defined in Note 3.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
The Group				
Financial assets				
Available for sale:				
Other investment	-	-	1	1
Short-term funds	-	7,224*	-	7,224
2014				
The Group				
Financial assets				
Available for sale:				
Other investment	-	-	1	1
Short-term funds	-	2,029*	-	2,029

* The fair value of investments in short-term funds are valued using the net asset value of the investment funds.

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Through an announcement made to Bursa Malaysia Securities Berhad on 24 February 2014 and subsequent announcements thereon, the Company proposed to undertake the following proposals ("Proposals"):

(i) Proposed par value reduction via the cancellation of RM0.50 of the par value of the Company's existing ordinary shares of RM1.00 each ("Par Value Reduction");

(ii) Proposed renounceable rights issue of 227,338,321 new ordinary shares of RM0.50 each in the Company ("Rights Shares") together with 113,669,147 free detachable warrants ("Warrants") on the basis of 2 Rights Shares together with 1 free Warrant for every 2 ordinary shares of RM0.50 each held after the Par Value Reduction on an entitlement date to be determined by the Board of Directors of the Company; and

(iii) Proposed amendments to the Company's Memorandum and Articles of Association ("M&A") to facilitate the Par Value Reduction.

The Company obtained approval from Bursa Securities on 15 April 2014 and shareholders on 2 December 2014 on the proposals.

The above proposals were completed on 2 January 2015.

(b) On 30 September 2014, Fame Action Sdn. Bhd., a wholly-owned subsidiary of the Company acquired two pieces of freehold land located in Mukim Cheras, Daerah Ulu Langat, Negeri Selangor measuring in total approximately 25.59 acres, for a total cash consideration of RM35.66 million. The said acquisition has been completed during the financial year.

(c) On 4 November 2014, Taman Equine Industrial Sdn. Bhd., a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to dispose of two parcels of leasehold land and properties with carrying amount of RM26.72 million for a total cash consideration of RM142.35 million. The said disposal was completed subsequent to the financial year end.

40. SUBSEQUENT EVENTS

(a) On 1 April 2015, the proposed disposal of two parcels of leasehold land as disclosed in Note 39(c) has been completed upon fulfilment of the condition precedent.

(b) On 12 May 2015, the Company acquired the entire issued and paid-up share capital of the following companies for cash consideration of RM2 each:

(i) Arena Pedoman Sdn. Bhd., a private limited company incorporated in Malaysia, with an authorised share capital of RM400,000 comprising 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares have been issued and fully paid-up.

(ii) Johan Awana Sdn. Bhd., a private limited company incorporated in Malaysia, with an authorised share capital of RM400,000 comprising 400,000 ordinary shares of RM1.00 each, of which 2 ordinary shares have been issued and fully paid-up.

(c) On 3 July 2015, the Company entered into a share sale agreement with a third party to acquire the remaining 35% equity interest in Perwira Nadi Trading Sdn. Bhd. for a total cash consideration of RM27.00 million.

41. CONTINGENT LIABILITIES - UNSECURED

	The Company	
	2015	**2014**
	RM'000	**RM'000**
Corporate guarantee given to financial institutions for credit facilities granted to subsidiary companies	455,950	274,650

42. CAPITAL COMMITMENTS

(a) Non-cancellable operating lease commitments

The Group has commitment in respect of rental of premises as follows:

	The Group	
	2015	**2014**
	RM'000	**RM'000**
Future minimum rentals payable:		
Not later than 1 year	7,798	4,711
More than 1 year and within 2 years	5,325	2,833
More than 2 years and within 5 years	5,846	-
	18,969	7,544

The Group has entered into non-cancellable operating lease agreements which represent rental payable for the use of premises. Leases are negotiated for a period of 3 years and rentals fixed for 2 years.

(b) Other commitments

	The Group	
	2015	**2014**
	RM'000	**RM'000**
Capital expenditure in respect of acquisition of land		
- approved and contracted for (i)	-	33,881
- approved but not contracted for (ii)	19,310	19,310
	19,310	53,191

(i) Approved and contracted for

In previous financial year, a wholly-owned subsidiary of the Company entered into a sale and purchase agreement with a third party to acquire two pieces of freehold land as disclosed in Note 39(b). The said acquisition was completed during the financial year.

42. CAPITAL COMMITMENTS (cont'd)

(b) Other commitments

(ii) Approved but not contracted for

Under the Supplemental Agreement entered into between Batu Kawan Development Sdn. Bhd. ("BKDSB") and Penang Development Corporation ("PDC") on 31 March 2011, BKDSB is entitled to execute the sale and purchase of Parcel 3A and Parcel 3B of land owned by PDC on or before 30 September 2014 or within 24 months from the date of vacant possession of Parcel 2B is ready to be delivered by PDC to BKDSB, whichever is the later, subject to the condition that the sale and purchase of Parcel 3A and 3B can only be effected upon Penaga Pesona Sdn. Bhd.'s completion of the low cost and low-medium cost housings in Parcel 1 and Parcel 2A.

The Board of Directors of the Company has approved the proposed capital expenditure in respect of acquisition of the said parcel of land at a cost of RM19.30 million.

43. MATERIAL LITIGATION

In the ordinary course of business, a wholly-owned subsidiary of the Company is a defendant in a legal case and in the opinion of the Directors, after taking appropriate legal advice, the outcomes of such actions are remote and therefore, no provisions have been made in the financial statements.

44. SUPPLEMENTARY INFORMATION - DISCLOSURE ON REALISED AND UNREALISED PROFITS/LOSSES

On 25 March 2010, Bursa Malaysia Securities Berhad issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements which requires all listed issuers to disclose the breakdown of the retained earnings or accumulated losses as of the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia Securities Berhad further issued guidance on the disclosure and the prescribed format of disclosure.

The breakdown of the retained earnings of the Group and of the Company as of the end of the reporting period into realised and unrealised profits or losses, pursuant to the directive is as follows:

	The Group		The Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Total retained earnings of the Group and the Company				
Realised	106,624	80,495	38,603	35,381
Unrealised	56,833	19,834	-	-
	163,457	100,329	38,603	35,381
Less: Consolidation adjustments	(68,743)	(36,153)	-	-
Total retained earnings as per statements of financial position	94,714	64,176	38,603	35,381

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements" as issued by the Malaysian Institute of Accountants on 20 December 2010. A charge or credit to the profit or loss of a legal entity is deemed realised when it is resulted from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

This supplementary information has been made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and is not made for any other purposes.

Statement By Directors

The Directors of **GLOBAL ORIENTAL BERHAD**, state that, in their opinion, the accompanying financial statements are drawn up in accordance with Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2015 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

The supplementary information set out in Note 44, which is not part of the financial statements, is prepared in all material aspects, 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.

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

Y.A.M. DATUK SERI TENGKU AHMAD SHAH IBNI ALMARHUM SULTAN SALAHUDDIN ABDUL AZIZ SHAH

OTHMAN BIN MOHAMMAD

Selangor Darul Ehsan
13 July 2015

Declaration By The Officer Primarily Responsible For The Financial Management Of The Company

I, **NG EEK MEEN**, the officer primarily responsible for the financial management of **GLOBAL ORIENTAL BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

NG EEK MEEN

Subscribed and solemnly declared by the abovenamed NG EEK MEEN at SELANGOR DARUL EHSAN on 13th day of July, 2015.

Before me,

COMMISSIONER FOR OATHS

Analysis Of Ordinary Shareholdings As At 30 June 2015

Authorised Share Capital	:	RM500,000,000 comprising 1,000,000,000 ordinary shares of RM0.50 each
Issued and Paid-Up Share Capital	:	RM227,338,321 comprising 454,676,642 ordinary shares of RM0.50 each
Class of Shares	:	Ordinary shares of RM0.50 each
Voting Rights	:	Every member of the Company, present in person or by proxy, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each share held
Number of shareholders	:	23,613

Analysis of Ordinary Shareholdings

Holdings	No. of holders	Total holdings	Percentage (%)
Less than 100	13,737	280,152	0.06
100 - 1,000	2,832	1,368,309	0.30
1,001 - 10,000	3,867	20,582,646	4.53
10,001 - 100,000	2,723	91,134,382	20.04
100,001 to less than 22,733,832*	453	302,903,281	66.62
22,733,832* and above	1	38,407,872	8.45

Notes:
* *5% of issued shares*

Substantial Shareholders (holding 5% or more of the Share Capital)

Shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
Duta Kembang Sdn Bhd	49,407,872	10.87	-	-
Indera Muhibbah Sdn Bhd	36,048,800	7.93		
Insan Mayang Sdn Bhd	28,000,000	6.16		
Othman bin Mohammad	-	-	(1)77,407,872	17.02
Lee Kwee Siong	-	-	(1)77,407,872	17.02
Baharum bin Harun	-	-	(1)77,407,872	17.02
Dato' Choo Chuo Siong	-	-	(2)36,048,800	7.93

Notes:
(1) Deemed interested through Duta Kembang Sdn Bhd and Insan Mayang Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.

(2) Deemed interested through Indera Muhibbah Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.

Analysis Of Ordinary Shareholdings As At 30 June 2015

Directors' Shareholdings

	Direct		Indirect	
	No. of shares	**%**	**No. of shares**	**%**
YAM Datuk Seri Tengku Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	-	-	-	-
Othman bin Mohammad	-	-	[1]77,407,872	17.02
Wee Beng Aun	-	-	-	-
Chin Hon Keong	-	-	-	-
Ta Wee Dher	-	-	-	-
Datuk Ahmad Zabri bin Ibrahim	-	-	-	-
Dato' Hamzah bin Md Rus	-	-	-	-
Wong Yuk Mou	-	-	-	-

Note:
[1] *Deemed interested through Duta Kembang Sdn Bhd and Insan Mayang Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.*

List of Thirty (30) Largest Ordinary Shareholders

	Name	**No. of shares held**	**Percentage (%)**
1	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Duta Kembang Sdn Bhd	38,407,872	8.45
2	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Insan Mayang Sdn Bhd	22,560,000	4.96
3	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Indera Muhibbah Sdn Bhd	18,048,800	3.97
4	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Indera Muhibbah Sdn Bhd	18,000,000	3.96
5	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Duta Kembang Sdn Bhd	11,000,000	2.42
6	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Leong Kam Chee	9,200,000	2.02
7	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kian Jin	7,348,000	1.62
8	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kian Jin	6,548,000	1.44
9	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Insan Mayang Sdn Bhd	5,440,000	1.20
10	Cimsec Nominees (Asing) Sdn Bhd Exempt AN for CIMB Securities (Singapore) Pte Ltd	5,013,963	1.10
11	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Ah Noi	3,905,000	0.86
12	Public Invest Nominees (Tempatan) Sdn Bhd Exempt AN for Phillip Securities Pte Ltd	3,533,000	0.78

Analysis Of Ordinary Shareholdings As At 30 June 2015

	Name	No. of shares held	Percentage (%)
13	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for SP Tactical Investment Fund	3,361,300	0.74
14	United Teochew (Malaysia) Bhd	2,600,000	0.57
15	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank for Yeong Sing Ong	2,541,400	0.56
16	Liew Sze Fook	2,287,700	0.50
17	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for RHB-OSK Dynamic Fund	2,266,000	0.50
18	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt AN for UOB Kay Hian Pte Ltd	2,249,320	0.49
19	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kim Hooi	2,149,000	0.47
20	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Beh Soo Kiang	2,147,000	0.47
21	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kim Hooi	2,114,000	0.46
22	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Khoo Kean Hock	2,080,000	0.46
23	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Shahrin bin Osman	2,050,000	0.45
24	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Eng Seong	2,050,000	0.45
25	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kalepa A/L P. Marathamuthu	2,040,000	0.45
26	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Shahrin bin Osman	2,020,000	0.44
27	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chow Dai Chin	2,010,000	0.44
28	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee See Kwan	1,997,500	0.44
29	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Swee Kwong	1,980,400	0.44
30	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kalepa A/L P. Marathamuthu	1,910,000	0.42
	Total	188,858,255	41.54

Analysis Of Warrant Holdings As At 30 June 2015

No. of Warrants	:	113,669,147
Issue Date	:	26 December 2014
Maturity Date	:	24 December 2019
Exercise Price	:	RM0.80
Exercise Rights	:	Each warrant entitles the holder to subscribe for one (1) new ordinary share of RM0.50 each in the Company on or before the maturity date

Analysis of Warrant Holdings

Holdings	No. of holders	Total holdings	Percentage (%)
Less than 100	89	3,632	#
100 - 1,000	586	395,910	0.35
1,001 - 10,000	1,516	7,115,562	6.26
10,001 - 100,000	703	25,242,611	22.21
100,001 to less than 5,683,457*	132	64,129,464	56.42
5,683,457* and above	2	16,781,968	14.76

Notes:
\# *Negligible*
* *5% of issued warrants*

Directors' Warrant Holdings

	Direct		Indirect	
	No. of shares	%	No. of shares	%
YAM Datuk Seri Tengku Ahmad Shah Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah	-	-	-	-
Othman bin Mohammad	-	-	(1) 25,001,968	22.00
Wee Beng Aun	-	-	-	-
Chin Hon Keong	-	-	-	-
Ta Wee Dher	-	-	-	-
Datuk Ahmad Zabri bin Ibrahim	-	-	-	-
Dato' Hamzah bin Md Rus	-	-	-	-
Wong Yuk Mou	-	-	-	-

Note:
(1) *Deemed interested through Duta Kembang Sdn Bhd and Insan Mayang Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.*

Analysis Of Warrant Holdings
As At 30 June 2015

List of Thirty (30) Largest Warrant Holders

	Name	No. of shares held	Percentage (%)
1	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Duta Kembang Sdn Bhd	10,501,968	9.24
2	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Insan Mayang Sdn Bhd	6,280,000	5.52
3	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Indera Muhibbah Sdn Bhd	5,574,400	4.90
4	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Duta Kembang Sdn Bhd	5,500,000	4.84
5	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Indera Muhibbah Sdn Bhd	5,000,000	4.40
6	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Leong Kam Chee	3,350,000	2.95
7	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kian Jin	3,274,000	2.88
8	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Insan Mayang Sdn Bhd	2,720,000	2.39
9	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for SP Tactical Investment Fund	2,500,000	2.20
10	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Siu Wah	1,539,400	1.35
11	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Chuan	1,252,100	1.10
12	Chia Nam Cheun	1,000,000	0.88
13	Sua Hing Kam	1,000,000	0.88
14	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Beh Chan Pin	1,000,000	0.88
15	Mak Ngia Ngia @ Mak Yoke Lum	974,800	0.86
16	Public Invest Nominees (Tempatan) Sdn Bhd Exempt AN for Phillip Securities Pte Ltd	882,500	0.78
17	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kim Hooi	870,000	0.77

Analysis Of Warrant Holdings As At 30 June 2015

	Name	No. of shares held	Percentage (%)
18	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gan Wei Pin	845,000	0.74
19	Cimsec Nominees (Asing) Sdn Bhd Exempt AN for CIMB Securities (Singapore) Pte Ltd	769,984	0.68
20	Cimsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gooi Thean Heng	706,000	0.62
21	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ler Lee Lian	670,000	0.59
22	Maybank Nominees (Tempatan) Sdn Bhd Khoo Sik Eng	618,400	0.54
23	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lau Chee Leong	602,500	0.53
24	Puah Siew Mooi	600,000	0.53
25	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liew Moi Fah	600,000	0.53
26	Leong Chon Loong	550,000	0.48
27	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Foo Kar Yee	522,300	0.46
28	Maybank Nominees (Tempatan) Sdn Bhd Chua Eng Ho Wa'a @ Chua Eng Wah	500,000	0.44
29	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Exempt AN for UOB Kay Hian Pte Ltd	423,468	0.37
30	Lai Fenney	414,400	0.36
	Total	61,041,220	53.70

Group Properties
As At 31 March 2015

Registered/ Beneficial Owner	Location	Tenure	Remaining Land Area (acres) / Units	Usage	Net Book Value 31 March 2015 RM'000	Year of Acquisition
Taman Equine (M) Sdn Bhd	Pajakan Negeri 7397, Lot 53383 and Pajakan Negeri 7399, Lot 53386, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	52.0	Residential development and nature reserve	9,696	1994
Equine Park Stud Sdn Bhd	Pajakan Negeri 16727, Lot 64627 and Pajakan Negeri 16733, Lot 64633, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	1.0	Bungalow plots	942	1994
Kelab Taman Equine Sdn Bhd	HS(D) 306459, PT 82338, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	4.0	Mixed development with an office building	14,614	1994
Kelab Taman Equine Sdn Bhd	Pajakan Negeri 20583, Lot 66216 and Pajakan Negeri 20585, Lot 66223, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	16 units	Apartments and shop offices	767	1994
Pertanian Taman Equine Sdn Bhd	Pajakan Negeri 102216, Lot 93720, HS(D) 292786, PT 80632, HS(D) 292792, PT 80638, HS(D) 292801-292837, PT 80647-80683, HS(D) 292698-292701, PT 80544-80547, HS(D) 241755-241757, PT 56720-56722 and HS(D) 241557, PT 56521, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	27.2	Mixed commercial and residential developments	25,620	1994
Taman Equine Riding Sdn Bhd	HS(D) 288620, PT 81027, HS(D) 288622, PT 81029 and HS(D) 272763-272784, PT 73973-73994, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2093	8.5	Bungalow plots	11,030	1994
Taman Equine Industrial Sdn Bhd	HS(D) 256279, PT 78861 and HS(D) 256277, PT 78859, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2108	4.8	Mixed commercial and residential developments	4,393	1994
Tujuan Ehsan Sdn Bhd	HS(D) 258562, PT 73892, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2108	1.7	Residential development	438	1999

Group Properties
As At 31 March 2015

Registered/ Beneficial Owner	Location	Tenure	Remaining Land Area (acres) / Units	Usage	Net Book Value 31 March 2015 RM'000	Year of Acquisition
Tujuan Ehsan Sdn Bhd	Pajakan Negeri 91542, Lot 99971, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2108	4 units	Shops	574	1999
Tujuan Ehsan Sdn Bhd	HS(D) 258564, PT 73896, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2108	5 units	Shops	780	1999
Tujuan Ehsan Sdn Bhd	HS(D) 228325, PT 54956, Mukim Petaling, District of Petaling, Selangor Darul Ehsan	Leasehold expiring on 2098	28 units	Apartments and shop offices	1,544	1999
Syarikat Tenaga Sahabat Sdn Bhd	HS(M) 8124, PT 16771; HS(M) 8215, PT 16867; HS(M) 8349, PT 17002 and HS(M) 8362, PT 17015, Mukim Ampang, District of Ulu Langat, Selangor Darul Ehsan	Leasehold expiring on 2080	0.6	Residential development	346	1992
Syarikat Tenaga Sahabat Sdn Bhd	Pajakan Negeri 20105, Lot 48400, Mukim Ampang, District of Ulu Langat, Selangor Darul Ehsan	Leasehold expiring on 2103	4 units	Apartments and shop offices	317	1992
Fame Action Sdn Bhd	Geran 27440, Lot 1656 and Geran 123367, Lot 4192, Mukim Cheras, Daerah Ulu Langat, Selangor Darul Ehsan	Freehold	25.6	Residential development	37,656	2014
Penaga Pesona Sdn Bhd	Various subdivided lots on HS(D) 45491-45493, PT 5251-5253, Mukim 13, Daerah Seberang Perai Selatan, Pulau Pinang	Leasehold expiring on 2104	103.3	Mixed commercial and residential developments	43,722	2004
Penaga Pesona Sdn Bhd	HS(D) 45956, PT 5258, Mukim 13, Daerah Seberang Perai Selatan, Pulau Pinang	Leasehold expiring on 2112	126.0	Mixed commercial and residential developments	64,272	2011
Penaga Pesona Sdn Bhd	Various subdivided lots on Pajakan Negeri 6569, Lot 1458 and Pajakan Negeri 6570, Lot 1459, Mukim 13, Daerah Seberang Perai Selatan, Pulau Pinang	Leasehold expiring on 2104	8 units	2-storey terrace houses	2,095	2004

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **14TH ANNUAL GENERAL MEETING** of Global Oriental Berhad will be held at Putrajaya Marriott Hotel, IOI Resort City, Sepang Utara, 62502 Putrajaya on Wednesday, 26 August 2015 at 9.30 a.m.

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 March 2015 and the Reports of the Directors and Auditors thereon (Please refer to Note 2).

2. To re-elect the following Directors who retire by rotation in accordance with Article 77 of the Company's Articles of Association:

   (i) YAM Datuk Seri Tengku Ahmad Shah ibni Almarhum Sultan Salahuddin Abdul Aziz Shah **(Ordinary Resolution No. 1)**

   (ii) Wong Yuk Mou **(Ordinary Resolution No. 2)**

3. To re-elect Chin Hon Keong who retires in accordance with Article 84 of the Company's Articles of Association. **(Ordinary Resolution No. 3)**

4. To re-appoint Datuk Ahmad Zabri bin Ibrahim who retires pursuant to Section 129(6) of the Companies Act, 1965 to hold office until the conclusion of the next Annual General Meeting of the Company. **(Ordinary Resolution No. 4)**

5. To approve directors' fees of RM240,000.00 for the financial year ended 31 March 2015. **(Ordinary Resolution No. 5)**

6. To re-appoint Messrs. Deloitte as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution No. 6)**

***Special business**

To consider and if thought fit, to pass the following resolutions:

7. **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965**

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the capital of the Company at any time until the conclusion of the next Annual 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 ten per centum (10%) of the issued share capital of the Company at any time, subject to the Articles of Association of the Company and approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and other relevant bodies where such approval is necessary." **(Ordinary Resolution No. 7)**

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

   "THAT approval be and is hereby given to the Company and its subsidiaries ("GOB Group") to enter into and give effect to recurrent related party transactions of a revenue or trading nature of the GOB Group with all classes of related parties as specified in the Circular to Shareholders dated 31 July 2015 which are necessary for the day to day operations in the ordinary course of business and are carried out at arm's length basis, on normal commercial terms of the GOB Group and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to minority shareholders of the Company and such approval shall continue to be in force until:

   (i) the conclusion of the next Annual General Meeting of the Company ("AGM") at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("ACT") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier.

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution." **(Ordinary Resolution No. 8)**

By Order of the Board

CHIN PEI FUNG (MAICSA 7029712)
Company Secretary
31 July 2015
Seri Kembangan, Selangor Darul Ehsan

Notes:

1. Proxy

- A member entitled to attend and vote is entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

- Where a member of the Company 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.

- There shall be no restriction as to the qualification of the proxy.

- If the member is a corporation, the Proxy Form must be executed under its Seal or under the hand of its attorney.

- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company situated at No. 1, Jalan Putra Permai 1A, Taman Equine, 43300 Seri Kembangan, Selangor Darul Ehsan, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.

- Only members whose names appear in the Record of Depositors as at 20 August 2015 shall be entitled to attend and vote at the meeting or appoint proxies to attend and vote on their behalf.

2. This item of the Agenda is meant for discussion only as under the provisions of Section 169(1) of the Companies Act, 1965, the Audited Financial Statements do not require the formal approval of shareholders. Hence, this Agenda is not put forward for voting.

3. Ordinary Resolution 7

   The proposed Ordinary Resolution 7, if passed, will empower the Directors to issue shares (other than bonus or rights issue) of the Company up to and not exceeding in total ten per centum (10%) of the issued share capital of the Company at any time for such purposes as they considered would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

   The Company has not issued any new share pursuant to the mandate which was granted at the last Annual General Meeting held on 27 August 2014.

   The renewal of the general mandate is to provide flexibility to the Company to issue new shares for possible fund raising exercises, including but not limited to placement of shares, for the purpose of funding investment projects, working capital and/or acquisitions as the Directors may deem fit without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

4. Ordinary Resolution 8

   The proposed Ordinary Resolution 8, if approved, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature relating to sale of properties by GOB Group to related parties. The details of the proposal are set out in the Circular to Shareholders dated 31 July 2015 which is circulated together with the 2015 Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Details of the Directors standing for re-election at the 14th Annual General Meeting are set out in the Profile of Board of Directors in this Annual Report.

Form of Proxy

GLOBAL ORIENTAL BERHAD
(Company No. 543867-T)
(Incorporated in Malaysia)

Total number of Proxy(ies) appointed		
Proportion of his holdings to be represented by each proxy	Proxy 1 %	Proxy 2 %
Total number of ordinary share held		
CDS Account No.		

*I/We .... NRIC No./Company No. ....
(FULL NAME IN CAPITAL LETTER)

of ....
(FULL ADDRESS)

being a member/members of GLOBAL ORIENTAL BERHAD (543867-T), hereby appoint ....,
(FULL NAME IN CAPITAL LETTER)

NRIC No. .... of ....
(FULL ADDRESS)

or failing *him/her, ...,
(FULL NAME IN CAPITAL LETTER)

NRIC No. .... of ....
(FULL ADDRESS)

....
or failing *him/her, *the Chairman of The Meeting as *my/our proxy to attend and vote on *my/our behalf at the 14th Annual General Meeting of the Company to be held at Putrajaya Marriott Hotel, IOI Resort City, Sepang Utara, 62502 Putrajaya on Wednesday, 26 August 2015 at 9.30 a.m. and at any adjournment thereof.

(Please indicate with an "X" in the appropriate boxes on how you wish your vote to be cast. Unless voting instructions are indicated in the space above, the proxy will vote as he/she thinks fit.)

	FOR	AGAINST
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3		
Ordinary Resolution 4		
Ordinary Resolution 5		
Ordinary Resolution 6		
Ordinary Resolution 7		
Ordinary Resolution 8		

Signed this .... day of 2015

....
Signature/Common Seal of Member

Notes:-

1. A member entitled to attend and vote is entitled to appoint more than one proxy (subject always to a maximum of two (2) proxies at each meeting) to attend and vote at the same meeting. Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
2. Where a member of the Company 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.
3. There shall be no restriction as to the qualification of the proxy.
4. If the member is a corporation, the Proxy Form must be executed under its Seal or under the hand of its attorney.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company situated at No. 1, Jalan Putra Permai 1A, Taman Equine, 43300 Seri Kembangan, Selangor Darul Ehsan, not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
6. Only members whose names appear in the Record of Depositors as at 20 August 2015 shall be entitled to attend and vote at the meeting or appoint proxies to attend and vote on their behalf.

* Delete where applicable

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Affix
Stamp

The Company Secretary

GLOBAL ORIENTAL BERHAD

No. 1, Jalan Putra Permai 1A,
Taman Equine, 43300 Seri Kembangan,
Selangor Darul Ehsan,
Malaysia.

please fold along this line (2)

Global Oriental Berhad (543867-T)

No.1, Jalan Putra Permai 1A,
Taman Equine, 43300 Seri Kembangan,
Selangor Darul Ehsan, Malaysia.

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