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

2.21 Financial liabilities (cont'd.)

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

2.22 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2.23 Borrowing costs

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

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

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

2.24 Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

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

2.25 Leases

(i) As lessee

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

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

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

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

2.25 Leases (cont'd.)

(ii) As lessor

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

2.26 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the profit or loss.

A component of the Group is classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with view to resale.

2.27 Revenue

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 the revenue can be measured reliably. Revenue is measured at the fair value of consideration received or receivable.

(i) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method as disclosed in Note 2.18(ii).

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

2.27 Revenue (cont'd.)

(i) Sale of properties (cont'd.)

Revenue from completed property units and land is recognised when the risks and rewards associated to ownership have been transferred to purchasers and substantial contractual obligations have been completed.

(ii) Education fees

Revenue from education fees are recognised over the period of instruction whereas non-refundable registration and enrolment fees are recognised on enrolment.

(iii) Club operations

Revenue from membership fee is recognised upon acceptance of club membership by the club. Revenue from subscription fees is recognised on an accrual basis. Revenue from sale of food and beverage and from letting of club facilities are recognised upon invoicing of the services.

(iv) Sale of goods

Revenue is recognised upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(v) Interest income

Interest is recognised on an accrual basis using the effective interest method.

(vi) Dividend income

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

(vii) Rental income

Rental income is recognised on a straight line basis over the term of the lease or in accordance with the substance of the relevant agreements.

(viii) Management fees

Management fees are recognised when services are rendered.

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

2.28 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

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

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

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

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

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

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

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

2.28 Income taxes (cont'd.)

(b) Deferred tax (cont'd.)

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

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

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

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

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

2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 40, including the factors used to identify the reportable segments and the measurement basis of segment information.

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

2.30 Share capital and share issuance expenses

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

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

2.31 Contingencies

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

Contingent liabilities or assets are not recognised in the statements of financial position of the Group.

2.32 Significant accounting judgements and estimates

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

(a) Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and inventories

The Group has developed certain criteria based on FRS 140 Investment Property in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

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

2.32 Significant accounting judgements and estimates (cont'd.)

(a) Judgements made in applying accounting policies (cont'd.)

Classification between investment properties and inventories (cont'd.)

The Group has temporarily sub-let some completed unsold properties but has decided not to treat these properties as investment properties as it is not the Group's intention to hold these properties in the long term for capital appreciation or rental income but rather for sale. Accordingly, these properties are still classified as inventories. The carrying amounts of these inventories as at reporting date are RM821,000 (2012: RM1,878,000).

(b) Key sources of estimation uncertainty

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

(i) Revenue recognition on property development activities

The Group recognises property development activities based on the percentage of completion method.

Significant judgment is required in determining the percentage of completion, the extent of the development project costs incurred, the estimated total revenue and total costs and the recoverability of the development project. In making these judgements, management relies on past experience and the work of specialists.

(ii) Impairment of property, plant and equipment and investment properties

The Group determines whether property, plant and equipment and investment properties are impaired whenever there is an indication of

The best evidence of impairment test is current prices in an active market for similar properties or valuation carried out by independent firms of valuers annually.

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

2.32 Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty (cont'd.)

(ii) Impairment of property, plant and equipment and investment properties (cont'd.)

In the absence of current prices in an active market, the management carried out the impairment test based on value-in-use of these cash generating units ("CGU") to which the assets were allocated and determines if the carrying value of the CGU is in excess of the value-in-use. This requires management to make an estimate of the expected cash flows from the CGU, supported by the terms of any existing lease and other contracts, and to choose suitable discount rates that reflect current market assessment of the uncertainty in the carrying amount and timing in order to calculate the present value of those cash flows. Changes in estimates and assumptions may result in revisions in the carrying amount of these assets.

(iii) Impairment of financial assets

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. Debts that are past due but not impaired are disclosed in Note 21.

(iv) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that have been initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2013, the Group has tax recoverable and payable of approximately RM979,000 (2012: RM129,000) and RM3,694,000 (2012: RM2,601,000) respectively.

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

2.32 Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty (cont'd.)

(v) Material litigations

The Group determines whether a present obligation in relation to a material litigation exists at the reporting date by taking into account all available evidence, including the opinion of its solicitors and subsequent events after the reporting date. On the basis of such evidence, the Group evaluates if a provision needs to be recognised in the financial statements. Further details of the material litigations involving the Group are disclosed in Note 33.

(vi) Impairment of investments

Management determines whether the carrying amounts of its investments are impaired at reporting date. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include amongst others, discounted cash flow analysis and in some cases, are based on current market indicators and estimates that provide reasonable approximations to the detailed computation.

Management determined the recoverable amount of these investments based on the individual asset's value in use. The present value of the future cash flows to be generated by these assets is the asset's value in use. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

It is the opinion of the Directors that adequate impairment losses have been recognised in the profit or loss and the management's assumptions are reasonable.

(vii) Provisions

The Group recognised a provision in respect of financial obligations arising from the winding up of a former subsidiary of the Group in previous years. The carrying amount of the provision as at 31 March 2013 was RM33,712,000 (2012: RM32,322,000). Annual review of estimates are performed based on latest available information and these provisions are appropriately revised as necessary.

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

2.32 Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty (cont'd.)

(viii) Amounts due from subsidiaries

The Company determines the recoverability of the amounts due from certain subsidiaries when these debts exceeded their capital investments. The Directors are of the opinion that adequate allowance for impairment has been made for the debts due from these subsidiaries to the extent the Company is able to realise these debts through internal group restructuring including possible offsets against debts owed by the Company to certain other subsidiaries, should such need arises.

(ix) Fair value of investment properties and investment properties under construction

The Directors estimate the fair values of the Group's investment properties by reference to market evidence of transaction prices for similar properties in the location and category of the properties being valued. In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flow expected to be received from renting out the property. A yield that reflects the specific inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

3. Revenue

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Property development	190,792	107,919	-	-
Education	11,816	11,392	-	-
Club operations and building maintenance	3,585	3,252	-	-
Interest income from deposits with financial institutions	2,770	2,739	2,659	2,509
Returns of short term funds	190	23	190	23
Dividends from:				
- unquoted Malaysian subsidiaries	-	-	22,533	22,445
- quoted shares	2,590	-	2,590	-
Rental income:				
- subsidiaries	-	-	2,567	2,753
- third parties	672	591	3	3
Management fee from				
- subsidiaries	-	-	3,243	-
- jointly controlled entity	254	253	-	-
Others	3,624	4,630	-	-
	216,293	130,799	33,785	27,733

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4. Other income

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Rental income	1,032	2,365	-	-
Gain on disposal of property, plant and equipment	8	80	8	69
Unwinding of discount on interest on loan to:				
- jointly controlled entity	1,258	1,251	-	-
- subsidiaries	-	-	829	697
Interest income	1,136	1,199	-	-
Returns of short term funds	406	184	-	-
Bad debt recovered	1	4	-	-
Gain on disposal of non-current assets classified as held for sale (Note 24)	22	2,273	-	-
Reversal of allowance for impairment of financial assets:				
- amount due from subsidiary	-	-	-	3,900
- amount due from third parties	122	383	-	-
Reversal of impairment loss on investment in subsidiaries (Note 16 (i))	-	-	22,035	-
Reversal of provision for property development expenditure	760	391	-	-
Reversal of provision for foreseeable loss on charged land (Note 25)	12,341	-	-	-
Deposits forfeited	401	4	-	-
Unrealised foreign exchange gain	184	28	-	-
Realised foreign exchange gain	-	-	7	-
Gain on disposal of a jointly controlled entity (Note 16(iv))	-	5,001	-	-
Net gain on deconsolidation of foreign subsidiaries (Note 16(ii))	-	4,829	-	-
Others	1,378	709	890	38
	19,049	18,701	23,769	4,704

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5. Staff costs

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonus	12,408	11,749	3,180	2,092
Defined contribution plan	1,505	1,375	395	249
Other employment benefits	837	774	202	99
	14,750	13,898	3,777	2,440

Included in staff costs of the Group and of the Company are remunerations (excluding benefits-in-kind) of executive directors of the Company amounting to RM1,275,000 (2012: RM1,196,000) and RM817,000 (2012: RM754,000) respectively as further disclosed in Note 6 below.

6. Directors' remuneration

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Executive directors' remuneration (Note 5):				
Other emoluments	1,275	1,196	817	754
Non-executive directors' remuneration (Note 8):				
Fees	370	383	370	383
Other emoluments	30	31	30	31
	400	414	400	414
Total directors' remuneration	1,675	1,610	1,217	1,168
Estimated money value of benefits-in-kind	67	79	38	48
Total directors' remuneration including benefits-in-kind	1,742	1,689	1,255	1,216

Details of fees receivable by non-executive directors of the Company during the financial year are as follows:

	Group/Company	
	2013	2012
	RM'000	RM'000
Non-executive:		
Fees	370	383

6. Directors' remuneration (cont'd.)

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

	Group Number of Directors		Company Number of Directors	
	2013	2012	2013	2012
Executive directors:				
RM400,001 - RM500,000	1	1	-	-
RM500,001 - RM900,000	1	1	1	1
Non-Executive directors:				
RM10,001 - RM50,000	5	6	5	6
RM50,001 - RM100,000	1	1	1	1
RM100,001 - RM150,000	1	1	1	1

7. Finance costs

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Interest expense on :				
- Bank overdraft	443	246	-	-
- Term loan	1,320	1,108	-	-
- Bridging loan	1,785	402	-	-
- Hire purchase and finance lease liabilities	20	21	20	21
Unwinding of discount on :				
- Provision for financial obligation (Note 25)	1,390	1,332	1,390	1,332
- Amount due to a related party (Note 34(a))	307	147	-	-
	5,265	3,256	1,410	1,353
Less: Interest expenses capitalised in property development costs (Note 12 (b)(i))	(3,548)	(1,756)	-	-
	1,717	1,500	1,410	1,353

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8. Profit before tax

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

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-executive directors' remuneration (Note 6)	400	414	400	414
Auditors' remuneration:				
Auditors of the Company				
- statutory audit	165	163	50	48
- (over)/underprovision in prior year	(10)	5	-	6
- other services	15	90	5	70
Other auditors				
- statutory audit	4	4	-	-
Impairment loss on investment in subsidiaries (Note 16(i))	-	-	407	-
Write off of financial assets on amount due from third parties	2	-	-	-
Allowance for impairment on financial assets:				
- amount due from subsidiaries	-	-	56	76
- amount due from third parties	110	56	-	-
Impairment loss on loan to a jointly controlled entity	1,107	183	-	-
Loss on fair value changes on quoted shares- financial assets at fair value through profit or loss	6,675	8,766	6,525	8,665
Consumables inventories written off	-	3	-	-
Realised foreign exchange loss	1	-	-	-
Unrealised foreign exchange loss	-	-	3	69
Office rental	-	-	478	251
Other rental expenses	98	81	23	13
Net loss on deconsolidation of a foreign subsidiary (Note 16(ii))	666	-	-	-

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9. Income tax expense

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
Malaysian income tax	14,758	10,769	3,085	4,417
Under/(over)provision in prior years	296	(207)	320	(62)
	15,054	10,562	3,405	4,355
Deferred tax (Note 31):				
Relating to origination and reversal of temporary differences	(62)	(226)	-	-
Underprovision in prior years	592	43	-	-
	530	(183)	-	-
	15,584	10,379	3,405	4,355

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2012: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to subsidiaries in Australia was 30% (2012: 30%).

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9. Income tax expense (cont'd.)

A reconciliation 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 of the Group and of the Company is as follows:

	2013 RM'000	2012 RM'000
Group		
Profit before tax	72,761	43,499
Taxation at Malaysian statutory tax rate of 25% (2012: 25%)	18,190	10,875
Effect of:		
- Tax expense arising from differential tax rates in foreign countries	(2)	43
- Income not subject to tax	(6,212)	(2,559)
- Expenses not deductible for tax purposes	6,185	2,969
- Utilisation of previously unrecognised tax losses, unabsorbed capital allowances and deductible temporary differences	(3,626)	(787)
- Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	161	2
Underprovision of deferred tax in prior years	592	43
Under/(over)provision of tax expense in prior years	296	(207)
Income tax expense recognised in profit or loss	15,584	10,379

	2013 RM'000	2012 RM'000
Company		
Profit before tax	42,492	16,705
Taxation at Malaysian statutory tax rate of 25% (2012: 25%)	10,623	4,176
Effect of:		
- Income not subject to tax	(10,083)	(1,049)
- Expenses not deductible for tax purposes	2,681	1,815
- Utilisation of previously unabsorbed capital allowances	(136)	(525)
Under/(over)provision of tax expense in prior years	320	(62)
Income tax expense recognised in profit or loss	3,405	4,355

Tax savings during the financial year arising from:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Utilisation of previously unabsorbed capital allowances	14,502	3,148	542	2,100

10. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	Group 2013	Group 2012
Profit attributable to owners of the Company (RM'000)	43,969	30,369
Weighted average number of ordinary shares in issue ('000)	598,305	598,305
Basic earnings per share (sen)	7.35	5.08

(b) Diluted

The Group does not have any potential dilutive ordinary shares as at the reporting date.

There have been no other transactions involving ordinary shares since the reporting date and the date of these financial statements.

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11. Property, plant and equipment

	Freehold land RM'000	Long term leasehold land RM'000	Buildings RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Plant, machinery and others RM'000	Capital work in progress RM'000	Total RM'000
Group								
At 31 March 2013								
Cost								
At 1 April 2012	51,909	150	31,207	11,852	1,588	3,110	4,563	104,379
Additions	-	-	-	560	110	1,494	1,506	3,670
Disposals	-	-	-	(1)	(96)	-	-	(97)
Written off	-	-	-	(209)	-	-	-	(209)
Reclassification	-	-	5,423	-	-	-	(5,423)	-
At 31 March 2013	51,909	150	36,630	12,202	1,602	4,604	646	107,743

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

	Freehold land RM'000	Long term leasehold land RM'000	Buildings RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Plant, machinery and others RM'000	Capital work in progress RM'000	Total RM'000
Group (cont'd.)								
Accumulated depreciation and impairment								
At 1 April 2012								
Accumulated depreciation	-	3	16,547	9,709	1,170	463	-	27,892
Accumulated impairment	-	-	6,469	-	-	-	-	6,469
	-	3	23,016	9,709	1,170	463	-	34,361
Depreciation charge for the year	-	1	513	551	234	82	-	1,381
Disposals	-	-	-	-	(96)	-	-	(96)
Written off	-	-	-	(209)		-	-	(209)
At 31 March 2013	-	4	23,529	10,051	1,308	545	-	35,437
Represented by:								
Accumulated depreciation	-	4	17,060	10,051	1,308	545	-	28,968
Accumulated impairment	-	-	6,469	-	-	-	-	6,469
	-	4	23,529	10,051	1,308	545	-	35,437
Net carrying amount	51,909	146	13,101	2,151	294	4,059	646	72,306

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

	Freehold land RM'000	Long term leasehold land RM'000	Buildings RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Plant, machinery and others RM'000	Capital work in progress RM'000	Total RM'000
Group (cont'd.)								
At 31 March 2012								
Cost								
At 1 April 2011	51,897	150	31,207	11,457	1,954	1,822	-	98,487
Additions	-	-	-	385	174	1,288	-	1,847
Disposals	-	-	-	(5)	(538)	-	-	(543)
Written off	-	-	-	(3)	(2)	-	-	(5)
Acquisition of a subsidiary (Note 16(iv))	-	-	-	21	-	-	-	21
Transferred from investment properties (Note 13)	12	-	-	-	-	-	4,563	4,575
Adjustment	-	-	-	(3)	-	-	-	(3)
At 31 March 2012	51,909	150	31,207	11,852	1,588	3,110	4,563	104,379

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

	Freehold land RM'000	Long term leasehold land RM'000	Buildings RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Plant, machinery and others RM'000	Capital work in progress RM'000	Total RM'000
Group (cont'd.)								
Accumulated depreciation and impairment								
At 1 April 2011								
Accumulated depreciation	-	1	16,096	9,170	1,485	420	-	27,172
Accumulated impairment	-	-	6,469	-	-	-	-	6,469
	-	1	22,565	9,170	1,485	420	-	33,641
Depreciation charge for the year	-	2	451	540	225	43	-	1,261
Disposals	-	-	-	(1)	(538)	-	-	(539)
Written off	-	-	-	(3)	(2)	-	-	(5)
Acquisition of a subsidiary (Note 16(iv))	-	-	-	3	-	-	-	3
At 31 March 2012	-	3	23,016	9,709	1,170	463	-	34,361
Represented by:								
Accumulated depreciation	-	3	16,547	9,709	1,170	463	-	27,892
Accumulated impairment	-	-	6,469	-	-	-	-	6,469
	-	3	23,016	9,709	1,170	463	-	34,361
Net carrying amount	51,909	147	8,191	2,143	418	2,647	4,563	70,018

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

	Long term leasehold land RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Company				
At 31 March 2013				
Cost				
At 1 April 2012	150	1,205	3,650	5,005
Additions	-	-	60	60
Disposals	-	(96)	-	(96)
At 31 March 2013	150	1,109	3,710	4,969
Accumulated depreciation				
At 1 April 2012	2	877	3,472	4,351
Depreciation charge for the year	2	184	60	246
Disposals	-	(96)	-	(96)
At 31 March 2013	4	965	3,532	4,501
Net carrying amount	146	144	178	468
At 31 March 2012				
Cost				
At 1 April 2011	150	1,519	3,579	5,248
Additions	-	166	78	244
Disposals	-	(480)	-	(480)
Adjustment	-	-	(7)	(7)
At 31 March 2012	150	1,205	3,650	5,005
Accumulated depreciation				
At 1 April 2011	1	1,163	3,432	4,596
Depreciation charge for the year	1	194	47	242
Disposals	-	(480)	-	(480)
Adjustment	-	-	(7)	(7)
At 31 March 2012	2	877	3,472	4,351
Net carrying amount	148	328	178	654

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

(a) Acquisitions of property, plant and equipment during the financial year were by way of the following:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Cash	3,670	1,697	60	94
Hire purchase arrangement	-	150	-	150
	3,670	1,847	60	244

Net carrying amounts of property, plant and equipment of the Group and of the Company held under hire purchase and finance lease arrangements as at reporting date are RM144,000 (2012: RM328,000) and RM144,000 (2012: RM328,000) respectively.

(b) Freehold land which are pledged as security for borrowings are as follows:

	Group	
	2013 RM'000	2012 RM'000
Charged for borrowings of a former subsidiary		
Freehold land	-	16,641

Full provision for loss has been made for the freehold land charged for borrowings of a former subsidiary as disclosed in Note 25. During the financial year, the charged land has been fully redeemed as disclosed in Note 35(a).

(c) Capital work in progress refers to building under construction and renovation works including furniture and fittings and office equipment.

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12. Land held for property development and property development costs

(a) Land held for property development

	Freehold land RM'000	Development costs RM'000	Total RM'000
Group			
At 31 March 2013			
Cost			
At 1 April 2012	10,821	15,813	26,634
Additions	-	4,320	4,320
At 31 March 2013	10,821	20,133	30,954
Cost			
At 1 April 2011	10,821	15,307	26,128
Additions	-	550	550
Transferred to property development costs (Note 12(b))	-	(44)	(44)
At 31 March 2012	10,821	15,813	26,634

(b) Property development costs

	Freehold land RM'000	Development costs RM'000	Total RM'000
Group			
At 31 March 2013			
Cumulative property development cost			
At 1 April 2012	97,077	114,919	211,996
Cost incurred during the financial year	-	94,300	94,300
Transfer of unsold units to inventories	(9)	(4,279)	(4,288)
Reversal of development costs for completed projects	(115)	(53,682)	(53,797)
Adjustment	1,050	(1,050)	-
At 31 March 2013	98,003	150,208	248,211

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12. Land held for property development and property development costs (cont'd.)

(b) Property development costs (cont'd.)

	Freehold land RM'000	Development costs RM'000	Total RM'000
At 31 March 2013 (cont'd.)			
Cumulative cost recognised in profit or loss			
At 1 April 2012	(8,763)	(49,232)	(57,995)
Recognised during the financial year	(3,306)	(98,461)	(101,767)
Reversal of development costs for completed projects	115	53,682	53,797
At 31 March 2013	(11,954)	(94,011)	(105,965)
Property development costs at 31 March 2013	86,049	56,197	142,246
At 31 March 2012			
Cumulative property development cost			
At 1 April 2011	1,883	25,642	27,525
Cost incurred during the financial year	25,194	71,671	96,865
Transferred from land held for property development (Note 12(a))	-	44	44
Acquisition of a subsidiary (Note 16(iv))	70,000	17,562	87,562
At 31 March 2012	97,077	114,919	211,996
Cumulative cost recognised in profit or loss			
At 1 April 2011	-	(12,782)	(12,782)
Recognised during the financial year	(8,763)	(36,450)	(45,213)
At 31 March 2012	(8,763)	(49,232)	(57,995)
Property development costs at 31 March 2012	88,314	65,687	154,001

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12. Land held for property development and property development costs (cont'd.)

(b) Property development costs (cont'd.)

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

	Group	
	2013	**2012**
	RM'000	**RM'000**
Interest expense (Note 7)	3,548	1,756

(ii) The freehold land together with development costs with a carrying value of RM173,200,000 (2012:RM180,635,000) are pledged as securities for bank borrowings as disclosed in Note 27.

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13. Investment properties

	Freehold land RM'000	Buildings RM'000	Buildings on leasehold land RM'000	Assets under construction RM'000	Total RM'000
Group					
At 31 March 2013					
Cost					
At 1 April 2012	12,113	1,258	65	18,861	32,297
Additions	-	-	-	3,661	3,661
Reclassification	-	22,522	-	(22,522)	-
Transferred to non-current assets classified as held for sale (Note 24)	-	(1,258)	-	-	(1,258)
At 31 March 2013	12,113	22,522	65	-	34,700
Accumulated depreciation and impairment					
At 1 April 2012					
Accumulated depreciation	-	485	4	-	489
Accumulated impairment	-	-	19	-	19
	-	485	23	-	508
Transferred to non-current assets classified as held for sale (Note 24)	-	(501)	-	-	(501)
Depreciation charge for the year	-	279	1	-	280
At 31 March 2013	-	263	24	-	287
Represented by:					
Accumulated depreciation	-	263	5	-	268
Accumulated impairment	-	-	19	-	19
	-	263	24	-	287
Net carrying amount	12,113	22,259	41	-	34,413

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13. Investment properties (cont'd.)

	Freehold land RM'000	Buildings RM'000	Buildings on leasehold land RM'000	Assets under construction RM'000	Total RM'000
Group (cont'd.)					
At 31 March 2012					
Cost					
At 1 April 2011	12,125	2,383	448	7,827	22,783
Additions	-	-	-	15,597	15,597
Transferred to property, plant and equipment (Note 11)	(12)	-	-	(4,563)	(4,575)
Transferred to non-current assets classified as held for sale (Note 24)	-	(1,125)	(383)	-	(1,508)
At 31 March 2012	12,113	1,258	65	18,861	32,297
Accumulated depreciation and impairment					
At 1 April 2011					
Accumulated depreciation	-	871	21	-	892
Accumulated impairment	-	197	162	-	359
	-	1,068	183	-	1,251
Transferred to non-current assets classified as held for sale (Note 24)	-	(627)	(165)	-	(792)
Depreciation charge for the year	-	44	5	-	49
At 31 March 2012	-	485	23	-	508
Represented by:					
Accumulated depreciation	-	485	4	-	489
Accumulated impairment	-	-	19	-	19
	-	485	23	-	508
Net carrying amount	12,113	773	42	18,861	31,789

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13. Investment properties (cont'd.)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Company			
At 31 March 2013			
Cost			
At 1 April 2012/31 March 2013	11,988	20,720	32,708
Accumulated depreciation and impairment			
At 1 April 2012			
Accumulated depreciation	-	6,151	6,151
Accumulated impairment	-	6,469	6,469
	-	12,620	12,620
Depreciation charge for the year	-	415	415
At 31 March 2013	-	13,035	13,035
Net carrying amount	11,988	7,685	19,673
At 31 March 2012			
Cost			
At 1 April 2011/31 March 2012	11,988	20,720	32,708
Accumulated depreciation and impairment			
At 1 April 2011			
Accumulated depreciation	-	5,736	5,736
Accumulated impairment	-	6,469	6,469
	-	12,205	12,205
Depreciation charge for the year	-	415	415
At 31 March 2012	-	12,620	12,620
Net carrying amount	11,988	8,100	20,088

13. Investment properties (cont'd.)

(a) The fair value of investment properties of the Group and of the Company are estimated at RM66,015,000 (2012:RM75,467,000) and RM58,126,000 (2012:RM45,741,000) respectively. Fair value is arrived at by reference to market evidence of transaction prices for similar properties in the location and category of the properties being valued. In the absence of current prices in an active market of the kind described above for certain investment properties, fair value is arrived at by reference to the value-in-use of those investment properties.

(b) In respect of the Company, buildings refers to school buildings which have been leased to a subsidiary with an aggregate carrying value of RM7,685,000 (2012:RM8,100,000).

14. Goodwill

	Group 2013 RM'000	Group 2012 RM'000
At 1 April	12	-
Acquisition of a subsidiary (Note 16(iv)(c))	-	12
At 31 March	12	12

15. Land use rights

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
At 1 April	60	69	55	56
Transferred to non-current assets classified as held for sale (Note 24)	-	(8)	-	-
Amortisation for the year	(2)	(1)	(2)	(1)
At 31 March	58	60	53	55
Analysed as:				
Short term leasehold	53	55	53	55
Long term leasehold	5	5	-	-
	58	60	53	55

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16. Investments in subsidiaries

	Company 2013 RM'000	Company 2012 RM'000
Unquoted shares, at cost	315,739	315,739
Discount on loans to subsidiaries	4,375	4,375
	320,114	320,114
Less: Accumulated impairment losses	(117,353)	(138,981)
	202,761	181,133

Details of the subsidiaries are as follows:

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest 2013 %	Proportion of Ownership Interest 2012 %
Bestform Limited ^	Investment holding	Isle of Man	100.00	100.00
Bright Term Sdn Bhd	Property development	Malaysia	100.00	100.00
Clarity Crest Sdn Bhd	Cultivation of rubber and oil palm	Malaysia	100.00	100.00
L&G Resources (1994), Inc.^	Investment holding	USA	100.00	100.00
Land & General Properties Sdn Bhd	Property development	Malaysia	100.00	100.00
Land & General Australia (Holdings) Pty Ltd ^	Investment holding	Australia	100.00	100.00
Land & General Marketing Sdn Bhd	Property management	Malaysia	100.00	100.00
Lang Education Holdings Sdn Bhd	Investment holding	Malaysia	100.00	100.00
Lang Furniture (Pahang) Sdn Bhd	Dormant	Malaysia	100.00	100.00

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16. Investments in subsidiaries (cont'd.)

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest 2013 %	2012 %
Maple Domain Sdn Bhd	Dormant	Malaysia	100.00	100.00
Premier Link Resources Ltd ^	Dormant	British Virgin Islands	-	100.00
Sri Damansara Sdn Bhd	Property development	Malaysia	100.00	100.00
Syarikat Trimal Sdn Bhd	Property development	Malaysia	100.00	100.00
Synergy Score Sdn Bhd	Investment holding	Malaysia	100.00	100.00
Winlink Pte Ltd*	Dormant	Singapore	100.00	100.00
Subsidiary of L&G Resources (1994), Inc.:				
L&G Display Technologies, Inc. ^	Dormant	USA	100.00	100.00
Subsidiaries of Land & General Australia (Holdings) Pty Ltd:				
Lang Melbourne Pty Ltd ^	Dormant	Australia	100.00	100.00
World Trade Centre Holdings Pty Ltd ^	Dormant	Australia	100.00	100.00
Flinders Wharf Pty Ltd ^	Dormant	Australia	100.00	100.00
Flinders Wharf One Pty Ltd ^	Dormant	Australia	100.00	100.00
Flinders Wharf Two Pty Ltd ^	Dormant	Australia	100.00	100.00
Flinders Wharf Land Pty Ltd ^	Dormant	Australia	100.00	100.00
PLR Mayfields Pty Ltd ^	Dormant	Australia	100.00	100.00

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16. Investments in subsidiaries (cont'd.)

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest 2013 %	2012 %
Subsidiary of Lang Education Holdings Sdn Bhd				
Lang Education Sdn Bhd	Education services	Malaysia	100.00	100.00
Subsidiary of Sri Damansara Sdn Bhd:				
Sri Damansara Club Bhd	Management of club activities	Malaysia	100.00	100.00
Subsidiaries of Syarikat Trimal Sdn Bhd:				
Mentari Unggul Sdn Bhd	Dormant	Malaysia	70.00	70.00
Tinvein Nominees Sdn Bhd	Investment holding	Malaysia	100.00	100.00
Subsidiary of Synergy Score Sdn Bhd:				
Elite Forward Sdn Bhd	Property development	Malaysia	50.01	50.01
Subsidiary of World Trade Centre Holdings Pty Ltd:				
Lang Australia Pty Ltd ^	Dormant	Australia	100.00	100.00
Subsidiary of Tinvein Nominees Sdn Bhd:				
Navistar Sdn Bhd	Property development	Malaysia	100.00	100.00

* Audited by a firm of auditors other than member firms of Ernst & Young Global
^ Audited for consolidation purpose only

16. Investments in subsidiaries (cont'd.)

(i) Key assumptions used in impairment calculations

Management determined the recoverable amount of these investments based on the individual asset's value in use. The present value of the future cash flows to be generated by these assets is the asset's value in use, and it is assumed to be the same as net worth of the asset as at the reporting date. An Impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

During the financial year, the Company recognised an impairment loss of its investment in Syarikat Trimal Sdn Bhd of RM407,000 and a reversal of impairment losses of RM21,516,000 and RM519,000 on its investments in Clarity Crest Sdn Bhd and Lang Education Holdings Sdn Bhd respectively, as disclosed in Notes 4 and 8.

(ii) Deconsolidation of foreign subsidiaries

On 1 May 2012, the Company deregistered Premier Link Resources Ltd, a foreign subsidiary in British Virgin Islands. The deconsolidation of the said subsidiary resulted in the realisation of loss on foreign exchange reserve of RM666,000 at Group level, as disclosed in Note 8. There was no gain or loss at Company level in this current financial year.

In the previous financial year, the Company deregistered four (4) subsidiaries in British Virgin Islands, namely Associated Commercial Incorporated, Banjaran Marketing Services Ltd, Jade Commercial Ventures Ltd and Nexus Investments International Ltd. The deconsolidation of these companies has resulted in the realisation of gain on foreign exchange reserve of RM4,829,000 to the Group, as disclosed in Note 4. There was no gain or loss at Company level.

(iii) Additional investment in a subsidiary

In the previous financial year, the Company subscribed 499,998 ordinary shares of RM1.00 each in Bright Term Sdn Bhd, a wholly-owned subsidiary of the Company by

- cash consideration of RM249,998 for 249,998 ordinary shares; and
- capitalisation of RM250,000 of the amount due to the Company for 250,000 ordinary shares.

(iv) Acquisition of a subsidiary

The acquisition of a subsidiary in the previous financial year was in respect of Elite Forward Sdn Bhd ("EFSB").

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16. Investments in subsidiaries (cont'd.)

(iv) Acquisition of a subsidiary (cont'd.)

Synergy Score Sdn Bhd ("SSSB"), a wholly-owned subsidiary of the Company, acquired 75 ordinary shares of RM1 each in EFSB which represents 0.01% equity interest in EFSB from Forward Splendour Sdn Bhd ("FSSB") for a total consideration of RM13,000. As a result of the acquisition, EFSB became a 50.01% subsidiary of SSSB.

(a) Pursuant to *revised FRS 3 Business Combinations*, SSSB, remeasured its previously held interest in EFSB at fair value on the date of acquisition. This resulted in the recognition of the followings:

- A fair value surplus of RM13,337,000 and its related deferred tax liability of RM3,334,000 in respect of landed property upon consolidation of EFSB as a subsidiary; and

- A gain of RM5,001,000 was recognised in profit or loss as deemed disposal of a jointly controlled entity (50.00% in EFSB).

The assets and liabilities of EFSB as at the date of acquisition are as follows:-

	Fair value RM'000	Carrying amount RM'000
Property, plant and equipment (Note 11)	18	18
Property development costs (Note 12(b))	87,562	74,225
Trade and other receivables	15,234	15,234
Deposits, cash and bank balances	6,501	6,501
	109,315	95,978
Trade and other payables	29,877	29,877
Other current liabilities	6,719	6,719
Borrowings	55,678	55,678
Deferred tax liability (Note 31)	3,334	-
Taxation	487	487
	96,095	92,761
Net assets acquired	13,220	3,217

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16. Investments in subsidiaries (cont'd.)

(iv) Acquisition of a subsidiary (cont'd.)

(b) The effects of the cash flows are as follows:-

	2012 RM'000
Purchase consideration paid to acquire control over a jointly controlled entity	(13)
Cash and cash equivalents in subsidiary acquired	
- Deposits, cash and bank balances	6,501
- Bank overdraft	(6,852)
	(351)
Cash outflows on acquisition	(364)

(c) Goodwill arising from acquisition

	2012 RM'000
Purchase consideration paid for 0.01% interest	13
Share of fair value of net assets of initial 50.00% interest by the acquirer	6,610
Share of fair value of net assets of 49.99% interest by the non-controlling interest	6,609
	13,232
Fair value of net assets in the acquiree	(13,220)
Goodwill	12

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17. Investment in associates

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost:				
- In Malaysia	535	535	500	500
- Outside Malaysia ^	-	-	-	-
Share of post-acquisition profit	940	940	-	-
	1,475	1,475	500	500
Less: Accumulated impairment losses	(1,475)	(1,475)	(500)	(500)
	-	-	-	-

^ The cost of the investment is less than RM1,000

Details of the associates are as follows:

Name of Associates	Principal Activity	Country of Incorporation	Proportion of Ownership Interest 2013 %	Proportion of Ownership Interest 2012 %
C.I. Damansara Quarry Sdn Bhd	Dormant	Malaysia	35.00	35.00
Projass Langbuilt Sdn Bhd	Dormant	Malaysia	50.00	50.00
FW Financing Solutions Pty Ltd	Dormant	Australia	50.00	50.00

The summarised financial information of the associates not adjusted in proportion of ownership interest held by the Group is as follows:

	Group	
	2013	2012
	RM'000	RM'000
Assets and liabilities		
Current assets, representing total assets	2,856	2,858
Current liabilities, representing total liabilities	(35)	(35)
Results		
Revenue	-	-
Loss for the year	(2)	(2)

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18. Investments in a jointly controlled entity

	Group 2013 RM'000	Group 2012 RM'000
Unquoted shares at cost *	-	-
Share of post-acquisition reserves	(11,000)	(6,272)
	(11,000)	(6,272)
Exchange differences	(1,254)	(1,134)
	(12,254)	(7,406)

* The costs of these investments are less than RM1,000

Details of the jointly controlled entity are as follows:

Name of Jointly Controlled Entity	Principal Activity	Country of Incorporation	Proportion of Ownership Interest 2013 %	Proportion of Ownership Interest 2012 %
Hidden Valley Australia Pty Ltd	Property development	Australia	50.00	50.00

The Group together with its joint venture partner have undertaken to support financially their investments in the jointly controlled entity of Hidden Valley Australia Pty Ltd for the next twelve months up to 31 March 2014.

The following amounts represent the Group's share of assets, liabilities, revenue and expenses of the jointly controlled entity:

	Group 2013 RM'000	Group 2012 RM'000
Non-current assets	14,730	14,557
Current assets	5,844	8,791
Non-current liabilities	(19,180)	(25,639)
Current liabilities	(13,648)	(5,115)
Net liabilities	(12,254)	(7,406)
Revenue	(821)	11,849
Expenses	(3,907)	(14,770)
Loss before tax	(4,728)	(2,921)
Income tax expense	-	(244)
Loss for the year	(4,728)	(3,165)

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18. Investments in a jointly controlled entity (cont'd.)

In the previous year, the Group's share of revenue and expenses included the results of its jointly controlled entity, Elite Forward Sdn Bhd (now its subsidiary) up to 30 September 2011. Detailed disclosure is in Note 16(iv).

19. Other investments

	Quoted shares RM'000	Unquoted shares Former subsidiaries* RM'000	Unquoted shares Third parties RM'000	Total RM'000
Group				
At 31 March 2013				
Non-current				
Financial assets at fair value through profit or loss	5,118	-	-	5,118
Available-for-sale financial assets	-	203,545	2,118	205,663
Less: Accumulated impairment losses	-	(203,545)	(2,118)	(205,663)
	-	-	-	-
	5,118	-	-	5,118
At 31 March 2012				
Non-current				
Financial assets at fair value through profit or loss	11,793	-	-	11,793
Available-for-sale financial assets	-	230,677	10,454	241,131
Less: Accumulated impairment losses	-	(230,677)	(10,454)	(241,131)
	-	-	-	-
	11,793	-	-	11,793

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19. Other investments (cont'd.)

	Quoted shares RM'000	Unquoted shares Former subsidiaries* RM'000	Unquoted shares Third parties RM'000	Total RM'000
Company				
At 31 March 2013				
Non-current				
Financial assets at fair value through profit or loss	4,992	-	-	4,992
Available-for-sale financial assets	-	181,269	300	181,569
Less: Accumulated impairment losses	-	(181,269)	(300)	(181,569)
	-	-	-	-
	4,992	-	-	4,992
At 31 March 2012				
Non-current				
Financial assets at fair value through profit or loss	11,516	-	-	11,516
Available-for-sale financial assets	-	208,555	8,636	217,191
Less: Accumulated impairment losses	-	(208,555)	(8,636)	(217,191)
	-	-	-	-
	11,516	-	-	11,516

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19. Other investments (cont'd.)

* Included in unquoted shares at cost are the following former subsidiaries currently in liquidation:

Name of Company	Classification
US Furniture Industries, Inc.	Deregistered
L&G Resort Sdn Bhd	Court winding up
Lang Furniture (Selangor) Sdn Bhd	Court winding up
Bandar Sungai Buaya Sdn Bhd	Court winding up
Lembah Beringin Sdn Bhd	Receivers and Managers appointed and under court winding up

20. Inventories

	Group 2013 RM'000	Group 2012 RM'000
Cost:		
Properties held for sale	9,702	7,120
Consumables	31	54
	9,733	7,174
Net realisable value:		
Properties held for sale	-	1,057
	9,733	8,231

As at reporting date, carrying amounts of property inventories in excess of a year amounted to RM7,120,000 (2012: RM8,177,000).

Although the directors acknowledged that certain properties held for sale as disclosed above are slow-moving, the directors believe that the Group will be able to realise all of its properties held for sale above their costs in the ordinary course of business.

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21. Trade and other receivables

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current				
Trade receivables				
Third parties	23,345	34,810	-	-
Stakeholders sum	80	80	-	-
	23,425	34,890	-	-
Less: Allowance for impairment	(784)	(2,789)	-	-
Trade receivables, net	22,641	32,101	-	-
Other receivables				
Amounts due from related parties:				
Subsidiaries	-	-	101,658	83,417
Jointly controlled entity	256	-	-	-
Associates	1,193	1,193	1,119	1,119
	1,449	1,193	102,777	84,536
Deposits	1,463	1,225	354	355
Other receivables				
Former subsidiaries	-	449,930	-	423,240
Others	5,801	9,493	518	342
	8,713	461,841	103,649	508,473
Less: Allowance for impairment	(6,032)	(459,226)	(73,467)	(496,651)
Other receivables, net	2,681	2,615	30,182	11,822
	25,322	34,716	30,182	11,822

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21. Trade and other receivables (cont'd.)

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Non-current				
Other receivables				
Amounts due from related parties:				
Subsidiary	-	-	18,417	17,588
Jointly controlled entity	18,741	14,466	-	-
Other receivables	81	-	-	-
	18,822	14,466	18,417	17,588
Less: Allowance for impairment	(1,196)	(1,183)	-	-
Other receivables, net	17,626	13,283	18,417	17,588
Total trade and other receivables	42,948	47,999	48,599	29,410
Add: Deposits, cash and bank balances (Note 23)	172,371	122,802	92,211	87,910
Total loans and receivables	215,319	170,801	140,810	117,320

(a) Trade receivables

Trade receivables are non-interest bearing and generally on 30 to 90 days (2012: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

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

	Group	
	2013	2012
	RM'000	RM'000
Neither past due nor impaired	17,570	24,133
1 to 30 days past due not impaired	2,335	1,610
31 to 60 days past due not impaired	791	1,370
61 to 90 days past due not impaired	82	488
91 to 120 days past due not impaired	663	357
More than 121 days past due not impaired	1,200	4,143
	5,071	7,968
Impaired	784	2,789
	23,425	34,890

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21. Trade and other receivables (cont'd.)

(a) Trade receivables (cont'd.)

Movement in allowance accounts:

	Group	
	2013	**2012**
	RM'000	**RM'000**
At 1 April	2,789	862
Charge to profit or loss	61	40
Charge to progress billings	-	1,966
Reversal of impairment loss	(30)	(79)
Write off	(2,036)	-
At 31 March	784	2,789

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

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

Receivables that are past due but not impaired

Trade receivables that are past due but not impaired are unsecured in nature. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business.

Of the Group's trade receivables that are past due but not impaired at the reporting date, approximately 98% (2012: 68%) of the total are due from property buyers who were sourcing for financing. Although these receivables have exceeded the credit term granted to them, no impairment has been made on these amounts as the Group is closely monitoring the status of loan application by these buyers.

(b) Other receivables

The Group has no significant concentration of credit risk included under sundry receivables that may arise from exposures to a single debtor or to groups of debtor except for debts due from subsidiaries.

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21. Trade and other receivables (cont'd.)

(b) Other receivables (cont'd.)

Other receivables that are impaired

Movement in allowance accounts:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
At 1 April	460,409	460,664	496,651	500,475
Charge for the year	49	16	56	76
Write off	(453,064)	-	(423,240)	-
Reversal of impairment loss	(92)	(304)	-	(3,900)
Exchange differences	(74)	33	-	-
At 31 March	7,228	460,409	73,467	496,651

Amounts due from related parties

Amounts due from related parties are unsecured, non-interest bearing and are repayable upon demand whereas amounts due relating to capital expenditure will be remeasured at their amortised cost at a discount rate of base lending rate ("BLR") minus 1.5% over the period of repayments.

Amounts due from former subsidiaries

(i) Included in amounts due from former subsidiaries of the Group and of the Company are nil (2012:RM434,804,000) and nil (2012:RM408,883,000) respectively from companies which are currently in liquidation. The Group and the Company have written off the provisions in respect of those companies in liquidation during the year.

(ii) In the previous financial year, an amount owing by a former subsidiary of RM14,344,000 was included in the Company's book. The said debt was secured on partially completed buildings belonging to the said former subsidiary. These buildings are situated on a piece of land which does not belong to the said former subsidiary. Full allowance for impairment has been made in respect of this debt.

The Company, together with its subsidiaries namely, Sri Damansara Sdn Bhd, Sri Damansara Club Berhad and Lang Education Sdn Bhd, had executed the Deed of Discharge with the former subsidiary on 16 April 2013 whereby all parties agreed to waive their rights, obligations and liabilities under the Deed of Settlement dated 2 March 2004. Accordingly, the said debt was written off for the financial year.

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21. Trade and other receivables (cont'd.)

(b) Other receivables (cont'd.)

Amounts due from other receivables

Included in other receivables are amounts totalling RM156,000 (2012:RMnil), owing from two individual buyers, who purchased two (2) units of double storey shop office and settling them within thirty-six (36) monthly instalments as disclosed in Note 24 (ii).

22. Other current assets

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Prepayments	254	394	52	142
Accrued billings in respect of property development costs	49,501	8,518	-	-
Others	261	261	181	181
	50,016	9,173	233	323

23. Deposits, cash and bank balances

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash on hand and at banks	33,830	8,120	331	295
Short term funds with financial institutions	26,258	19,546	7,098	7,414
Deposits with financial institutions	112,283	95,136	84,782	80,201
Total deposits, cash and bank balances	172,371	122,802	92,211	87,910
Bank overdraft (Note 27)	(9,378)	(6,171)	-	-
Cash and cash equivalents	162,993	116,631	92,211	87,910

23. Deposits, cash and bank balances (cont'd.)

(i) Included in cash at banks of the Group were:

- amounts of RM31,603,000 (2012:RM5,700,000) held under the Housing Development Accounts ("HDA Account") pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 (Act 118) and are therefore restricted from use in other operations;

- amounts of RM17,000 (2012:RM1,000) held under a trust account pursuant to a Trust Deed dated 11 September 1994 in relation to a membership scheme of a subsidiary, Sri Damansara Club Berhad. The application of the monies is governed by the Trust Deed Agreement; and

- amounts of RM57,000 (2012:RM13,000) held under sinking funds maintained by a subsidiary, Sri Damansara Club Berhad, for the purpose of repair and maintenance of properties.

(ii) Included in deposits with financial institutions of the Group were:

- amounts of RM85,000 (2012:RM65,000) pledged to banks as securities deposits for bank guarantees.

- amounts of RM1,248,000 (2012:RM1,273,000) held under a trust account pursuant to a Trust Deed dated 11 September 1994 in relation to a membership scheme of a subsidiary, Sri Damansara Club Berhad. The application of the monies is governed by the Trust Deed Agreement; and

- amounts of RM1,679,000 (2012:RM1,646,000) held under sinking funds maintained by a subsidiary, Sri Damansara Club Berhad, for the purpose of repair and maintenance of properties;

(iii) Included in deposits with financial institutions of the Company was an amount of RM65,000 (2012:RM63,000) pledged to bank as security deposit for bank guarantee.

The weighted average effective interest rates of deposits at the reporting date were as follows:

	Group		Company	
	2013	2012	2013	2012
	% per annum	% per annum	% per annum	% per annum
Deposits with financial institutions	3.17	3.34	3.25	3.36
Short term funds with banks	2.49	2.50	2.07	2.59

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23. Deposits, cash and bank balances (cont'd.)

The average maturities of deposits as at the reporting date were as follows:

	Group		Company	
	2013	2012	2013	2012
	Days	Days	Days	Days
Deposits with financial institutions	81	70	88	93

24. Non-current assets classified as held for sale

		Group	
		2013	2012
	Note	RM'000	RM'000
At carrying value:			
Freehold building (Note 13)	(i)	757	498
Leasehold land and building (Note 13 and 15)	(ii)	-	226
		757	724

(i) On 19 January 2012, Land & General Properties Sdn Bhd ("LGP"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Pertiwi Property Management Sdn Bhd for the disposal of a commercial unit for a consideration of RM520,000. The disposal fetched a gain of RM22,000 in the current financial year.

On 26 November 2012, LGP offered its penthouse for disposal to certain individual at a consideration of RM1,150,000. The sales and purchase agreement for the disposal was subsequently signed on 7 June 2013. The said disposal is expected to fetch a gain of RM393,000 in the next financial year.

(ii) On 6 July 2011 and 30 March 2012, Sri Damansara Sdn Bhd ("SDSB"), a wholly-owned subsidiary of the Company, offered to sell two (2) units of double storey shop office to two individual buyers for a total consideration of RM250,000. Accordingly, the properties were classified to non-current assets classified as held for sale in the previous financial year.

The sale and purchase agreements dated 1 June 2013 and 28 June 2013, however, stipulated the consideration to be settled by a thirty six months instalments and the completion of the sales only upon the final instalment payment. All other instalment payments shall be deemed as payment for rental of the property.

Accordingly, the Group has accounted for the said transaction as finance lease instead of an outright sale.

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25. Provisions

	Liquidated ascertained damages RM'000	Provision for promotional costs RM'000	Provision for financial obligation RM'000	Foreseeable loss of charged land RM'000	Total RM'000
Group					
31 March 2013					
At 1 April 2012	1,297	1,247	32,322	16,641	51,507
Unwinding of discount (Note 7)	-	-	1,390	-	1,390
Utilisation	-	(235)	-	(4,300)	(4,535)
Reversal	-	(15)	-	(12,341)	(12,356)
At 31 March 2013	1,297	997	33,712	-	36,006
Presented as follows:					
Current	1,297	997	-	-	2,294
Non-current	-	-	33,712	-	33,712
	1,297	997	33,712	-	36,006

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25. Provisions (cont'd.)

	Liquidated ascertained damages RM'000	Provision for promotional costs RM'000	Provision for financial obligation RM'000	Foreseeable loss of charged land RM'000	Total RM'000
31 March 2012					
At 1 April 2011	1,297	1,247	30,990	16,641	50,175
Unwinding of discount (Note 7)	-	-	1,332	-	1,332
At 31 March 2012	1,297	1,247	32,322	16,641	51,507
Presented as follows:					
Current	1,297	965	-	16,641	18,903
Non-current	-	282	32,322	-	32,604
	1,297	1,247	32,322	16,641	51,507

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25. Provisions (cont'd.)

	Provision for financial obligation 2013 RM'000	2012 RM'000
Company		
At 1 April	32,322	30,990
Unwinding of discount (Note 7)	1,390	1,332
At 31 March	33,712	32,322
Presented as follows:		
Current	-	-
Non-current	33,712	32,322
	33,712	32,322

(a) **Liquidated ascertained damages**

Provision for liquidated ascertained damages is in respect of property development projects undertaken by the Group. The provision is recognised for expected liquidated ascertained damage claims based on the terms of the applicable sale and purchase agreements.

(b) **Provision for promotional costs**

Provision for promotional costs are costs incurred that are associated with the sale of development units. These amounts are estimates of the obligations to be undertaken by the property development company.

The provision is based on the estimates of the obligations to be undertaken by the Group for each relevant purchases, terms and the respective sale agreements for each purchaser.

(c) **Provision for financial obligation**

This is the estimated financial liability, as assessed by the Directors, arising from the liquidation of a subsidiary in the previous financial years. The provision is based on the total amount owing by the former subsidiary to the financial institutions and it has been discounted using Group's cost of fund over a period of ten (10) years from its initial recognition.

An annual review of the estimate is performed based on the latest available information.

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25. Provisions (cont'd.)

(d) Foreseeable loss of charged land

This is the estimated loss as provided for several parcels of freehold land pledged as securities for borrowings granted to a former subsidiary. The provision is made from the aggregated carrying value of the pledged freehold land.

During the year, the several parcels of freehold land have been fully redeemed. The details are disclosed in Note 35(a) to the financial statements.

26. Trade and other payables

		Group		Company	
		2013	2012	2013	2012
	Note	RM'000	RM'000	RM'000	RM'000
Current					
Trade payables					
Third parties	(a)	9,226	18,257	-	-
Other payables					
Amount due to subsidiaries	(b)	-	-	55,912	58,626
Amount due to a related party	(c)	3,635	3,635	-	-
Other payables	(d)	12,291	18,063	435	2,001
Accruals		48,633	16,864	1,018	482
		64,559	38,562	57,365	61,109
		73,785	56,819	57,365	61,109

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26. Trade and other payables (cont'd.)

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Non-current					
Trade payables					
Third parties		6,857	3,731	-	-
Other payables					
Amount due to a related party	(c)	7,439	7,133	-	-
Other payables	(d)	1,639	1,489	-	-
		15,935	12,353	-	-
Total trade and other payables		89,720	69,172	57,365	61,109
Add: Borrowings (Note 27)		66,764	57,511	138	306
Total other financial liabilities at amortised cost		156,484	126,683	57,503	61,415

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit term granted to the Group is 30 days (2012: 30 days).

(b) Amounts due to subsidiaries

Amounts due to subsidiaries are unsecured, non-interest bearing and are repayable upon demand.

(c) Amounts due to a related party

Amounts due to a related party are unsecured, non-interest bearing and are repayable upon demand whereas amounts due relating to capital expenditure are remeasured at their amortised cost at a discount rate of base lending rate ("BLR") minus 1.5% over the period of repayments.

Further details on the transactions with the related party are disclosed in Note 34(a).

(d) Other payables

(i) Included in other payables of the Group are refundable deposits amounting to RM460,000 (2012:RM469,000) and RM1,212,000 (2012:RM1,077,000) in relation to club membership deposits in a subsidiary, Sri Damansara Club Berhad, and student enrolment deposits in a subsidiary, Lang Education Sdn Bhd ("LESB"), respectively.

(ii) Included in other payables of the Group are student fees received in advance by LESB amounting to RM2,476,000 (2012:RM2,161,000).

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27. Borrowings

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Current				
Secured:				
Bank overdraft (Note 23)	9,378	6,171	-	-
Hire purchase and finance lease liabilities	60	168	60	168
Term loan 1	92	-	-	-
	9,530	6,339	60	168
Non-current				
Secured:				
Hire purchase and finance lease liabilities	78	138	78	138
Term loan 1	-	18,840	-	-
Term loan 2	12,500	12,500	-	-
Bridging loan	44,656	19,694	-	-
	57,234	51,172	78	138
Total borrowings	66,764	57,511	138	306

The maturities of the borrowings as at end of the financial year are as follows:

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Within one year	9,530	6,339	60	168
More than 1 year and less than 2 years	36,667	7,543	38	60
More than 2 years and less than 5 years	20,567	43,629	40	78
	66,764	57,511	138	306

27. Borrowings (cont'd.)

(a) The credit facilities granted to the subsidiaries are as follows:-

(i) Term loan 1 amounting to RM38.5 million to part finance the purchase of the land situated in Ampang and the following facilities were granted to Elite Forward Sdn Bhd, to partly finance the development on the said land:-

- overdraft facility of RM16,000,000; and
- bridging loan facility of RM50,000,000 for the purpose of the development of the land.

During the financial year, the subsidiary obtained additional bridging loan facility of RM40,000,000, thereby increasing the approved limit to RM90,000,000.

All the above facilities are secured by:-
- a first legal charge over the land acquired;
- specific debenture over property and building together with fixtures and fittings on the property;
- specific debenture over development project together with fixed and floating assets, intellectual properties, goodwill, revenues, undertakings and all other rights relating to the project; and
- proportionate corporate guarantee by the Company.

Term loan 1 is repayable over 83 monthly instalments of RM450,000 and a final payment of RM1,150,000 commencing on the 37th month from the date of first drawdown of 10 May 2010 or via redemption of units, whichever is earlier. Subsequent to the financial year end, the subsidiary had fully settled the term loan.

The bridging loan is repayable over 84 monthly instalments of RM1,276,000 on the 37th month from the date of first drawdown of 22 August 2012 or via redemption of units, whichever is earlier.

Both term loan 1 and the bridging loan bear interest at base lending rate ("BLR") minus 1.5% per annum; whereas overdraft is at BLR.

(ii) Term loan 2 amounting to RM12,500,000, was granted to Bright Term Sdn Bhd, to partly finance the purchase of certain plots of land situated in Seremban. The said loan is secured by:-

- a first legal charge over the land acquired; and
- corporate guarantee by the Company.

In accordance with supplemental letter of offer dated 8 April 2013, term loan 2 is repayable over 8 equal quarterly instalments of RM1,388,000 each and a final instalment of RM1,396,000. The repayment shall commence on 10 April 2014.

The said loan bears interest at BLR minus 1.5%.

27. Borrowings (cont'd.)

(a) The credit facilities granted to the subsidiaries are as follows (cont'd.):-

(iii) The revolving credit facilities (RC) totalling to RM90,000,000 comprising of RC 1 of RM54,000,000 and RC 2 of RM36,000,000, was granted to Sri Damansara Sdn Bhd, to partly finance the development of its Damansara Foresta project. The said revolving credit facilities are secured by:-

- a first legal charge over the 3 parcels of project land;
- a first floating charge over all the present and future assets pertaining to the project; and
- corporate guarantee by the Company.

RC 1 is subject to annual renewal while RC 2's tenure is three (3) years from the first date of drawdown. RC 2 is repayable over 4 equal quarterly principal reduction of RM9,000,000 each. The first principal reduction shall commence on the 27th month following the date of first drawdown.

Both RC 1 and 2 bear interest at 1.25% + bank's cost of fund.

As at end of the financial year, no drawdown has been made.

(b) The hire purchase and finance lease liabilities bear interest at flat rates between 2.27% to 3.25% (2012: 2.24% to 3.25%) per annum.

28. Share capital

	Number of ordinary shares of RM0.20 each		**Amount**	
	2013	**2012**	**2013**	**2012**
	'000	**'000**	**RM'000**	**RM'000**
Authorised:				
At beginning and end of year	5,000,000	5,000,000	1,000,000	1,000,000
Issued and fully paid:				
At beginning and end of year	598,305	598,305	119,661	119,661

29. Retained profits

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there will be a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance ("S.108 balance") and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the S.108 balance to be locked in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

As at 31 March 2013, the Company has sufficient credit in S.108 balance and balance in the tax exempt account of RM67,812,000 (2012:RM67,812,000) and RM85,370,000 (2012:RM85,370,000) respectively to frank dividends out of its entire retained profits.

30. Other reserves

		Group	
		2013	2012
	Note	RM'000	RM'000
Capital reserve	(a)	12,133	12,133
Foreign exchange reserve	(b)	8,209	7,611
		20,342	19,744

The movements in each category of reserve were as follows:

(a) Capital reserve

	Group	
	2013	2012
	RM'000	RM'000
At 1 April	12,133	10,633
Appropriation of profit to capital reserve for a subsidiary due to redemption of preference shares in a subsidiary	-	1,500
At 31 March	12,133	12,133

This reserve arose from the redemption of redeemable preference shares issued by subsidiaries.

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30. Other reserves (cont'd.)

(b) Foreign exchange reserve

	Note	Group 2013 RM'000	Group 2012 RM'000
At 1 April		7,611	12,182
Translation difference on net equity of foreign operations		(68)	258
Realisation of foreign exchange reserve upon deconsolidation of foreign subsidiaries	16(ii)	666	(4,829)
At 31 March		8,209	7,611

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

31. Deferred tax

	Group 2013 RM'000	Group 2012 RM'000
At 1 April	(3,357)	(206)
Recognised in profit or loss (Note 9)	(530)	183
Acquisition of a subsidiary (Note 16(iv)(a))	-	(3,334)
At 31 March	(3,887)	(3,357)
Presented after appropriate offsetting as follows:		
Deferred tax assets	-	-
Deferred tax liabilities	(3,887)	(3,357)
	(3,887)	(3,357)

The components of deferred tax assets and liabilities during the financial year prior to set-offs are as follow:

Deferred tax assets of the Group:

	Provisions RM'000
At 1 April 2012/31 March 2013	-
At 1 April 2011	3
Recognised in profit or loss	(3)
At 31 March 2012	-

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31. Deferred tax (cont'd.)

Deferred tax liabilities of the Group:

	Property, plant and equipment RM'000	Property development costs RM'000	Total RM'000
At 1 April 2012	(218)	(3,139)	(3,357)
Recognised in profit or loss	(841)	311	(530)
At 31 March 2013	(1,059)	(2,828)	(3,887)
At 1 April 2011	(209)	-	(209)
Acquisition of a subsidiary (Note 16(iv)(a))	-	(3,334)	(3,334)
Recognised in profit or loss	(9)	195	186
At 31 March 2012	(218)	(3,139)	(3,357)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Unutilised tax losses	36,990	47,626	-	-
Unabsorbed capital allowances	6,676	9,432	-	362
Other deductible temporary differences	-	455	-	-
	43,666	57,513	-	362

The unutilised tax losses and unabsorbed capital allowances of the Group are available indefinitely for set-offs against future taxable profits of the respective subsidiaries, subject to guidelines issued by the tax authorities. Deferred tax assets were not recognized as it is not probable that sufficient taxable profit will be available in those subsidiaries in the foreseeable future.

The carried forward unused tax losses and unabsorbed capital allowances are subject to the agreement of the tax authorities.

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32. Capital commitments

	Group 2013 RM'000	Group 2012 RM'000
Capital expenditure		
Approved and contracted for:		
- property, plant and equipment	2,011	-
Approved but not contracted for:		
- property, plant and equipment	1,412	157
	3,423	157

33. Material litigations

(a) On 21 January 2000, Las Maha Corporation Sdn Bhd ("Las Maha") entered into a contract with Sri Damansara Sdn Bhd ("SDSB"), a wholly-owned subsidiary of the Company, to carry out construction and completion of building and relevant infrastructure works of the development project in Bandar Sri Damansara for a contract sum of RM11.5 million. Due to late delivery of the project, SDSB has imposed liquidated damages on Las Maha for late completion of the project.

On 2 April 2004, Las Maha sent a Notice of Arbitration to SDSB alleging, inter alia, that SDSB was not entitled for any damages for late completion of the project as Las Maha had achieved Practical Completion of works within reasonable time. In view of this, SDSB decided to refer the matter to Arbitration. Las Maha is claiming for the sum of RM2.2 million and SDSB has submitted a counter-claim for the amount of RM4.8 million, being liquidated damages claim of RM2.8 million and other claims totalling RM2.0 million.

SDSB was subsequently informed by its solicitors that Las Maha had been wound up on 15 February 2005. SDSB's solicitors have filed the proof of debt on 20 February 2006. The Provisional Liquidator has yet to call for a Creditors Meeting.

33. Material litigations (cont'd.)

(b) A claim of RM6.7 million was made against Navistar Sdn Bhd ("Navistar") a wholly-owned subsidiary of the Group, by AK2 Runding Sdn Bhd ("AK2"). The claim is for purported fees due and outstanding for unpaid balance of professional fees for architectural consultancy services rendered for a proposed three stage commercial development then undertaken by Navistar.

AK2 served the Writ of summons dated 20 August 2008 on Navistar and Navistar had responded. On 26 March 2013, the High Court had entered a judgement against Navistar for the whole sum of RM6.1 million together with interest on the said judgment sum at 5% per annum from 26 March 2013 to the date of full settlement and cost at RM60,000. Navistar had on 8 April 2013 filed an appeal to the Court of Appeal against the High Court's decision. On 15 May 2013, Navistar had also filed an application for a Stay of Execution. On 2 July 2013, the application for a stay of execution was granted.

As at the reporting date, no provision was made as the directors of the Company, after consultation with the solicitors, are of the opinion that Navistar has a strong chance of succeeding in the appeal against the High Court's decision.

34. Related party disclosures

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Note	Group 2013 RM'000	Group 2012 RM'000
Unwinding of discount on amount due from jointly controlled entity		1,258	1,251
Management fee paid by a jointly controlled entity		254	253
Progress billings billed to a member of key management for properties under construction	(i)	-	118
Unwinding of discount on amount due to a related company	(ii)	(307)	(147)

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34. Related party disclosures (cont'd.)

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year (cont'd.):

	Company	
	2013	**2012**
	RM'000	**RM'000**
Unwinding of discount on amount due from subsidiaries	829	697
Rental income from subsidiaries	2,567	2,753
Management fee from subsidiaries	3,243	-
Gross dividends from Malaysian subsidiaries	22,533	22,445
Rental expense paid to a subsidiary	(478)	(251)

Outstanding balances in respect of the above transactions are disclosed in Notes 21 and 26.

(i) A member of the key management personnel purchased a property from Sri Damansara Sdn Bhd, a wholly-owned subsidiary of the Company for RM337,000. The transaction was entered into in the ordinary course of business with terms and conditions that are not materially different from those obtainable in transactions with unrelated parties. During the financial year, the key management personnel resigned from the Company.

(ii) Through the acquisition of Elite Forward Sdn Bhd ("EFSB") by the Group on 30 September 2011, Forward Splendor Sdn Bhd ("FSSB") became a non-controlling interest in EFSB. FSSB is a related party to the Group by virtue of its relationship with Mayland Parkview Sdn Bhd ("MPSB"). MPSB is the major shareholder of the Company and both MPSB and FSSB are wholly-owned subsidiaries of Malaysia Land Properties Sdn Bhd.

34. Related party disclosures (cont'd.)

(b) Compensation of key management personnel

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

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Short term employee benefits	2,365	2,377	1,294	1,326
Post-employment benefits:				
- Defined contribution plan	284	282	155	159
- Other benefits	124	136	64	84
	2,773	2,795	1,513	1,569

Included in the total key management personnel are:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Directors' remuneration	1,275	1,196	817	754
Estimated money value of benefits-in-kind	67	79	38	48

35. Significant event

(a) On 30 October 2012, the Company and its wholly-owned subsidiary, Clarity Crest Sdn Bhd ("CCSB"), together with Pillar Quest Sdn Bhd ("PQSB") entered into a Redemption and Settlement Agreement with the Receivers and Managers of Lembah Beringin Sdn Bhd (in Receivership and Liquidation) ("LBSB") and RHB Bank Berhad ("RHB"). LBSB was formerly a subsidiary of the Company.

In accordance with the agreement, the Company and PQSB will withdraw the legal proceedings, arising from the dispute on the purchase of LBSB's properties, against the Receivers & Managers of LBSB and RHB has agreed to grant the request of CCSB to redeem nine (9) plots of land, which have been charged to RHB previously as securities for banking facilities granted to LBSB, at a settlement sum of RM4 million.

CCSB has made a provision for foreseeable loss of RM16.6 million on these nine (9) plots of charged land in year 2009. As the redemption sum for the discharge of the land has been agreed at RM4.3 million and a reversal of RM12.3 million was recognised to profit or loss, upon the satisfaction of the discharge documents and written confirmations between all parties as stated in the agreement.

The above transaction has been reflected in Notes 4 and 25.

36. Subsequent events

(a) The Company had on 9 April 2013, announced that it proposed to undertake the following:-

(i) Proposed renounceable rights issue of RM77,779,589 nominal value of five (5)-year, 1%, Irredeemable Convertible Unsecured Loan Stocks("ICULS") at 100% of the nominal value of RM0.13 each on the basis of RM0.13 nominal value of the ICULS for every one (1) existing share of RM0.20 each in the Company held on the entitlement date to be determined and announced later; and

(ii) Proposed acquisition of one (1) block of thirteen (13)-storey stratified office floors being constructed over a piece of freehold land held under Geran 825, Lot No. 3, Presint 3, town and district of Putrajaya, state of Wilayah Persekutuan Putrajaya by Maple Domain Sdn Bhd, a wholly-owned subsidiary of the Company, from Mayland Avenue Sdn Bhd ("MASB") for a total cash consideration of RM72,485,000.

MASB is a related company of Mayland Parkview Sdn Bhd, which in turn is a major shareholder of the Company.

As at the date of this report, the completion of the said proposals are now pending approvals from the shareholders to be obtained at the extraordinary general meeting which is to be convened at a future date.

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37. Financial instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks, foreign currency risk, liquidity risk, credit risk and market price risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is the Group's policy not to engage in speculative transactions.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate.

The Group's primary interest rate risk relates to interest-bearing borrowings. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's and the Company's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's profit for the year would have been RM35,000 higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to currency risk as a result of foreign currency transactions entered into by subsidiaries in currencies other than their functional currency. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currency give rise to foreign exchange exposures. Foreign exchange exposures in transactional currencies other than the functional currency of the operating entities are kept to an acceptable level.

The Company has a number of investments in foreign subsidiaries whose net assets are exposed to currency translation risk.

37. Financial instruments (cont'd.)

(c) Foreign currency risk (cont'd.)

The currency exposure profile of financial assets and financial liabilities of the Group and of the Company are as follows:

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Functional currency				
Other receivables				
Australian Dollar	17,804	13,415	-	-
Sterling Pound	1	2	-	-
	17,805	13,417	-	-
Other current assets				
Australian Dollar	7	4	-	-
Deposits, cash and bank balances				
Australian Dollar	1,887	3,378	705	-
Sterling Pound	3,260	3,218	-	-
	5,147	6,596	705	-
Other payables				
Australian Dollar	139	98	-	-
US Dollar	27	34	-	-
Sterling Pound	13	1	-	-
Singapore Dollar	6	6	-	-
	185	139	-	-

(d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligation due to shortage of funds.

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

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37. Financial instruments (cont'd.)

(d) Liquidity risk (cont'd.)

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.

	2013 RM'000			
	On demand or within one year	One to five years	Over five years	Total
Group				
Financial liabilities :				
Trade and other payables	73,785	17,131	1,104	92,020
Borrowings	12,458	60,520	-	72,978
	86,243	77,651	1,104	164,998
Company				
Financial liabilities :				
Trade and other payables	57,365	-	-	57,365
Borrowings	68	88	-	156
	57,433	88	-	57,521

	2012 RM'000			
	On demand or within one year	One to five years	Over five years	Total
Group				
Financial liabilities :				
Trade and other payables	56,819	13,376	1,199	71,394
Borrowings	9,004	54,150	-	63,154
	65,823	67,526	1,199	134,548
Company				
Financial liabilities :				
Trade and other payables	61,109	-	-	61,109
Borrowings	188	156	-	344
	61,297	156	-	61,453

37. Financial instruments (cont'd.)

(e) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instrument should a counterparty default on its obligation.

The Group is exposed to credit risk mainly from its customer base, including trade and other receivables. The Group extends credits 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.

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

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- A nominal amount of RM40,496,000 (2012: RM34,857,000) relating to corporate guarantees provided by the Company to financial institutions for credit facilities granted to subsidiaries.

(i) Trade and other receivables
Receivable balances are monitored continually with the results that the Group's exposure to credit risk is minimised.

The ageing analysis and information regarding impairment of the Group and of the Company are disclosed in Note 21.

(ii) Inter company balances
The Company provides unsecured loans and advances to subsidiaries. The Company monitors the result of the subsidiaries regularly.

(f) Market price risk

Market price risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted equity instruments. The Group does not actively trade these investments. To manage its price risks arising from these investments, the Group closely monitors the effects of fluctuation in equity prices and manages its portfolio within the limit set by the Board of Directors.

There has been no changes to the Group's exposure to market risks or the manner in which these risks are managed and measured.

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37. Financial instruments (cont'd.)

(f) Market price risk (cont'd.)

Sensitivity analysis for equity price risk

At the end of reporting period, if the prices of quoted shares had been 5% higher or lower, with all other variables held constant, the Group's profit for the year would have been RM256,000 higher or lower, arising as a result of higher or lower fair value gains on financial assets designated at fair value through profit or loss.

38. Fair value of financial instruments

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

	Note
Trade and other receivables (current)	
- Trade and other receivables	21
- Amounts due from subsidiaries	21
- Amounts due from jointly controlled entity	21
Deposits, cash and bank balances	23
Trade and other payables (current)	26
Loans and borrowings (current and non-current)	27

The carrying amounts of trade and other receivables (current) and trade and other payables (current) and deposits, cash and bank balances are reasonable approximation of fair values due to their short-term nature.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of non-current loans and borrowings, receivables and payables are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

(ii) Amounts due from subsidiaries and jointly controlled entity (non-current)

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

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38. Fair value of financial instruments (cont'd.)

(iii) Trade and other payables (non-current)

Non-current payables are recognized initially at fair value, which is calculated based on the present value of future principal and interest cash flows, discounted at the prevailing indicative interest rate of BLR - 1.50% (2012: BLR - 1.50%).

(iv) Quoted equity instruments

Fair value is determined directly by reference to their published market bid price at the reporting date.

The table below analyses financial instruments carried at fair value at the end of the reporting date by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (such as prices) or indirectly (such as derived from prices).

- Level 3: Inputs for the asset or liability that are not based on observable market date (unobservable inputs).

There were no transfers between level 1, level 2 and level 3 fair value measurements during the financial year ended 31 March 2012 and 31 March 2013.

At the end of the reporting period, the Group held the following financial instruments carried at fair value on the statement of financial position:

	Level 1 RM'000
Group	
2013	
Other investments	
Investment in quoted shares	5,118
2012	
Other investments	
Investment in quoted shares	11,793

38. Fair value of financial instruments (cont'd.)

(iv) Quoted equity instruments (cont'd.)

	Level 1 RM'000
Company	
2013	
Other investment	
Investment in quoted shares	4,992
2012	
Other investment	
Investment in quoted shares	11,516

<u>Determination of fair value</u>
Other investments (Note 19): Fair value is determined by direct reference to their published market bid price in an active market at the reporting date.

(v) Financial guarantee contract

The Company provided financial guarantees to banks for credit facilities granted to subsidiaries. As at reporting date, the fair value of the financial guarantees is negligible as the probability of the financial guarantees being called upon is remote due to the outstanding loans in the subsidiaries are adequately secured by land owned by the subsidiaries. Should the subsidiaries default any loans repayments, the proceeds from the realisation of the land will be able to satisfy the outstanding debts.

39. Capital management

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its businesses and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in the light of changes in economic conditions or expansion plans of the Group. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividend paid to shareholders or sell assets to reduce the debts.

The Group monitors capital utilisation using the gearing ratio. This ratio is used to assess the appropriateness of the Group's debt level, hence its capital structure. The ratio is calculated as gross debt divided by total equity. Gross debt excludes current and non-current hire purchase obligations, while total equity attributable to the owners of the Company.

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39. Capital management (cont'd.)

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Short term borrowings	9,470	6,171	-	-
Long term borrowings	57,156	32,194	-	-
Gross debts	66,626	38,365	-	-
Equity attributable to owners of the Company	327,018	282,451	279,553	240,466
Gross gearing (times)	0.20	0.14	-	-

40. Segment information

The Group has three reportable segments based on its products and services. The Managing Director together with the Board of Directors are collectively the chief operating decision maker ("CODM"). CODM assesses the performance of these segments regularly based on internal management reports. The operations in each of the reportable segment are as follows :-

(i)	Property	investment, management and development of residential and commercial properties
(ii)	Education	operation of co-education schooling from kindergarten to secondary education
(iii)	Others	investment holding, land cultivation, management of club activities and dormant companies

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss for the financial year, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

With the exception of its property development in Australia via its jointly controlled entity called Hidden Valley Australia Pty Ltd, the Group's entire active business operations is located in Malaysia.

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40. Segment information (cont'd.)

	Properties		Education		Others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	2013	2012	2013	2012	2013	2012	2013	2012		2013	2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Revenue											
Sales to external customers	191,492	108,149	11,816	11,392	7,435	8,496	-	-		210,743	128,037
Interest income, dividend income and returns of short funds	-	-	-	-	5,550	2,762	-	-		5,550	2,762
Inter-segment sales	16,953	1,231	-	-	28,406	25,266	(45,359)	(26,497)	A	-	-
Total revenue	208,445	109,380	11,816	11,392	41,391	36,524	(45,359)	(26,497)		216,293	130,799
Results											
Operating profit	66,182	38,596	4,983	5,262	8,041	4,306	-	-		79,206	48,164
Interest income	964	870	70	209	102	120	-	-		1,136	1,199
Loss on fair value changes on quoted shares - financial assets at fair value through profit or loss	-	-	-	-	6,675	8,766	-	-		6,675	8,766
Depreciation and amortisation	375	45	447	429	841	837	-	-		1,663	1,311
Share of losses of jointly controlled entities	-	-	-	-	4,728	3,165	-	-		4,728	3,165
Other non-cash expenses	51	-	12	16	1,156	223	-	-	B	1,219	239
Profit/(loss) before tax	65,875	43,376	4,983	5,261	6,631	(1,973)	(4,728)	(3,165)	C	72,761	43,499

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40. Segment information (cont'd.)

	Properties		Education		Others		Adjustments and eliminations		Notes	Per consolidated financial statements	
	2013	2012	2013	2012	2013	2012	2013	2012		2013	2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000
Assets											
Additions to non-current assets	9,708	16,187	298	261	1,645	1,546	-	-	D	11,651	17,994
Segment assets	331,734	266,609	20,806	10,794	208,392	205,833	(11,275)	(7,277)	E	549,657	475,959
Liabilities											
Segment liabilities	150,681	120,288	4,217	3,725	37,592	54,177	7,581	5,958	F	200,071	184,148

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40. Segment information (cont'd.)

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

A Inter-segment revenues are eliminated on consolidation.

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

	Note	2013 RM'000	2012 RM'000
Write off and allowance for impairment on financial assets	8	112	56
Impairment loss on loan to a jointly controlled entity	8	1,107	183
		1,219	239

C The following item is added to segment profit to arrive at profit before tax as presented in the consolidated statement of comprehensive income:

	Note	2013 RM'000	2012 RM'000
Share of losses of jointly controlled entities	18	(4,728)	(3,165)

D Additions to non-current assets consist of:

	Note	2013 RM'000	2012 RM'000
Property, plant and equipment	11	3,670	1,847
Land held for property development	12(a)	4,320	550
Investment properties	13	3,661	15,597
		11,651	17,994

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

	2013 RM'000	2012 RM'000
Investment in jointly controlled entity	(12,254)	(7,406)
Tax recoverable	979	129
	(11,275)	(7,277)

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40. Segment information (cont'd.)

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

	2013 RM'000	2012 RM'000
Deferred tax liabilities	3,887	3,357
Tax payable	3,694	2,601
	7,581	5,958

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Malaysia	215,928	130,316	142,816	140,028
Australia	346	464	5,291	5,878
Others	19	19	126	277
	216,293	130,799	148,233	146,183

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41. Supplementary information

- Breakdown of retained profits into realised and unrealised

The breakdown of the retained profits of the Group and of the Company as at 31 March 2013 into realised and unrealised is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Total retained profits/ (accumulated losses) of the Company and its subsidiaries:				
- Realised	83,730	17,054	177,745	137,245
- Unrealised	(33,778)	(48,325)	(34,889)	(33,476)
	49,952	(31,271)	142,856	103,769
Total share of retained profits from associates				
- Realised	940	940	-	-
Total share of accumulated losses from jointly controlled entity				
- Realised	(10,999)	(6,272)	-	-
	39,893	(36,603)	142,856	103,769
Less : Consolidation adjustments	130,086	162,613	-	-
Total retained profits as per statements of financial position	169,979	126,010	142,856	103,769

Company No. 5507-H

DIRECTORS' REPORT

Registered Office:

8trium, Level 21, Menara 1
Jalan Cempaka SD 12/5
Bandar Sri Damansara
52200 Kuala Lumpur

Date: 20 August 2013

To: The shareholders of Land & General Berhad ("L&G")

Dear Sir/Madam,

On behalf of the Board of Directors of L&G, I wish to report that, after making due enquiries in relation to the interval between 31 March 2013 (being the date on which the last audited consolidated financial statements of L&G and its subsidiaries ("**Group**") have been made up) to the date hereof, being a date not earlier than fourteen (14) days before the date of issue of this Abridged Prospectus ("**AP**"):

(a) the business of our Group has, in the opinion of our Directors, been satisfactorily maintained;

(b) in the opinion of our Directors, no circumstances have arisen since the last audited consolidated financial statements of our Group which have adversely affected the trading or the value of the assets of our Group;

(c) the current assets of our Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(d) there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by our Group;

(e) there has been no default or any known event that could give rise to a default situation in respect of payments of either interest and/or principal sums in relation to any borrowings of our Group in which our Directors are aware of since the last audited consolidated financial statements of our Group;

(f) save as disclosed in Section 10.2 of this AP and the risk factors discussed in Section 9 of this AP, there have been no material changes in the published reserves or any unusual factors affecting the profits of our Group since the last audited consolidated financial statements of our Group; and

(g) save as disclosed above and up to the date of this letter, no other reports are required in relation to items (a) to (f) above.

Yours faithfully,
for and on behalf of our Board of Directors of
LAND & GENERAL BERHAD

Ferdaus Mahmood
Executive Director

LAND & GENERAL BERHAD (Company No. 5507-H)
8trium, Level 21, Menara 1, Jalan Cempaka SD 12/5, Bandar Sri Damansara, 52200 Kuala Lumpur, Malaysia
Tel : 603-6279 8000, 603-6275 7788 Fax : 603-6277 7061
Email : lgb@land-general.com Website : www.land-general.com

VALUATION CERTIFICATE FOR THE ACQUISITION PREPARED BY PA INTERNATIONAL DATED 2 AUGUST 2013

PA INTERNATIONAL
PROPERTY CONSULTANTS (KL) SDN BHD
(748916W) (VE(1)0085/4)
(formerly known as Param & Associates (KL) Sdn. Bhd.)
PA国际物业顾问(吉隆坡)有限公司

29A & 31A, Jalan 52/1,
Petaling Jaya New Town,
46200 Petaling Jaya,
Selangor Darul Ehsan.
03-7958 5933
03-7957 5933
pakl@pa.com.my
www.pa.com.my

2 August 2013

Messrs. Land & General Berhad
Level 5, Block D, Sri Damansara Business Park,
Persiaran Industri,
Bandar Sri Damansara,
SELANGOR DARUL EHSAN

Dear Sirs,

RE: CERTIFICATE OF VALUATION – "A PROPOSED THIRTEEN (13) STOREY STRATIFIED OFFICE FLOORS BEING PART OF A PROPOSED INTEGRATED COMMERCIAL DEVELOPMENT THAT ALSO COMPRISE THEREIN A SEVEN (7) STOREY HOTEL, RETAIL PODIUM AND BASEMENT CAR PARK CURRENTLY UNDER CONSTRUCTION ON HOLDING HELD UNDER MASTER TITLE GERAN 825, LOT NO. 3, TOWN AND DISTRICT OF PUTRAJAYA, STATE OF WILAYAH PERSEKUTUAN PUTRAJAYA"

Instructions

We have been instructed by Messrs. Land & General Berhad to ascertain the Market Value of the freehold interest in the above-mentioned property (hereinafter referred to as the 'Subject Property') in conjunction with the acquisition by Maple Domain Sdn Bhd, a wholly-owned subsidiary of Land & General Berhad.

We are pleased to certify that we have conducted a formal valuation report and valued the legal interests in the Subject Property as at the date of Valuation on 21st February 2013.

This Valuation Certificate is prepared for inclusion in the abridged prospectus of Land & General Berhad pursuant to the acquisition of the Subject Property.

Valuations

The valuation report has been prepared based on the Assest Valuation Guidelines issued by the Securities Commission Malaysia and professional standards prescribed by the Board of Valuers, Appraisers and Estate Agents, Malaysia. The basis of valuation for the purpose of the valuation report is **MARKET VALUE** as defined in the **MALAYSIAN VALUATION STANDARDS:**

STANDARD 1 – Market Value Basis of Valuation.

The basis of the valuation is the Market Value of the Subject Property.

"Market Value" is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuation report has been prepared with reference to all the records of strata title plans, approved building plans, planning approvals and other relevant information as provided by Land & General Berhad. All data and information thus obtained from the said sources are deemed correct for the purpose of this valuation.

PENILAI
Registered Valuers * Property Consultants * Real Estate Agents * Property Managers * Plant & Machinery Valuers * Auctioneers
K.Parampathy Chairman Jerome Hong Boon Peng Managing Director A. Subramaniam Executive Director Siew Kok Kong Executive Director
Ong Che Seng Director Loo Cheong Fei Director V. Sivadas Director

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Subject Property

The Subject Property is a proposed thirteen (13) storey stratified office floors being part of a proposed integrated commercial development that also comprise therein a seven (7) storey hotel, retail podium and basement car park currently under construction on holding held under Master Title Geran 825, Lot No. 3, Town and District of Putrajaya, State of Wilayah Persekutuan Putrajaya, bearing postal address Lot 3C5, Presint 3, 62675 Putrajaya.

Vide a Planning Approval bearing Reference No. PPj/PER/RAN/1B-P3/16(87) dated 16th August 2012, the parent lot of the subject property has been approved for the following developments:-

a) One block of 13-storey office building with 2-storey retail space
b) Two blocks of podium with 4-storey retail space and 7-storey hotel (215 rooms)
c) 2-storey of car park in basement 1 & 2

NOTWITHSTANDING THE ABOVE, THE SUBJECT MATTER OF THIS VALUATION IS ONLY CONFINED TO STRATIFIED OFFICE FLOORS EXCLUDING THE RETAIL SPACE AND CAR PARK IN (a) ABOVE. HOWEVER, THE VENDOR WILL RESERVE 120 CAR PARKING BAYS TO THE PURCHASER AS PER THE MASTER AGREEMENT.

WE HAVE ALSO BEEN SPECIFICALLY INSTRUCTED BY THE CLIENT TO VALUE THE SUBJECT PROPERTY ON THE FOLLOWING ASSUMPTIONS:-

A) THE PROPOSED BUILDING HAS BEEN CONSTRUCTED AND COMPLETED IN ACCORDANCE WITH THE APPROVED BUILDING PLANS AND SPECIFICATIONS AND THEREAFTER ISSUED WITH CERTIFICATE OF COMPLETION AND COMPLIANCE BY THE RELEVANT AUTHORITIES

B) THE INDIVIDUAL STRATA TITLES FOR THE 'OFFICE FLOORS' HAVE BEEN ISSUED

Further details of the Subject Property are as follows:-

Subject Property	A proposed thirteen (13) storey stratified office floors
Tenure	Freehold
Master Title Land Area	6,303 square metres (about 67,845 square feet)
Registered Proprietor	Mayland Avenue Sdn Bhd
Category of land use	Bangunan
Express Conditions	Perniagaan
Description	**Location** The subject property is situated within Precinct 3, Bandar Putrajaya, District of Putrajaya, State of Wilayah Persekutuan Putrajaya. The subject property is bounded by Jalan Pembangunan to the north, Jalan Tun Abdul Razak to the west and Jalan P3C to its south. It lies approximately 25 kilometres to the south of the Kuala Lumpur city centre, 20 kilometres by road to the north of Kuala Lumpur International Airport and about 5 kilometres to the east of Cyberjaya.

Site

The proposed development is sitting on a parcel of commercial land identified as Lot 3, encompassing a land area of 6,303 square metres (about 67,845 square feet). The site is almost square in shape, flat in terrain and lies at about the same level with the metalled frontage roads.

The Proposed Development

The subject building is about 31% completed with constructions of basement to 10th floors were noted to be in progress as at 6th February 2013.

The apportioned amount of contract sum for the project is RM38,241,307 of which RM11,274,302 has been certified as billed for completed works as at 6th February 2013.

The proposed development comprising the followings:-

a) One block of 13-storey office building with 2-storey retail space
b) Two blocks of podium with 4-storey retail space and 7-storey hotel (215 rooms)
c) 2-storey of car park in basement 1 & 2

Details of accommodation and floor areas are as follows:

Level	Accommodation	Net Lettable Area (As per Approved Building Plan) (square feet)	Net Lettable Area (As per Strata Title Plan) (square feet)
Basement 2	Car Park & lifts	-	-
Basement 1	Car Park & lifts	-	-
Lower Ground Floor	Retail lots, lifts & toilets	-	-
Ground Floor	Lobby, retail lots, control room, lifts & toilets	5,597	-
Level 1	Office areas, lifts & toilets	7,955	7,556
Level 2	Office areas, lifts & toilets	7,955	7,556
Level 3	Office areas, lifts & toilets	9,203	9,235
Level 4	Office areas, lifts & toilets	12,368	12,443
Level 5	Office areas, lifts & toilets	12,368	12,443
Level 6	Office areas, lifts & toilets	12,368	12,443
Level 7	Office areas, lifts & toilets	12,368	12,443
Level 8	Office areas, lifts & toilets	12,368	12,443
Level 9	Office areas, lifts & toilets	9,182	9,225
Level 10	Office areas, lifts & toilets	9,182	9,225
Level 11	Office areas, lifts & toilets	9,182	9,225
Level 12	Office areas, lifts & toilets	9,182	9,225
Level 13	Office areas, lifts & toilets	9,182	9,225
Total		**138,456**	*** 132,687**

* *For the purpose of this Report and Valuation, we have adopted the net lettable area as extracted from the Strata Title Plan.*

(Source of Information : Title deeds, approval plans / letters from relevant authorities and etc)

VALUATION CERTIFICATE FOR THE ACQUISITION PREPARED BY PA INTERNATIONAL DATED 2 AUGUST 2013 ***(Cont'd)***

Valuation Approach

We have adopted the following two valuation approaches in this valuation:

i) Comparison Approach
ii) Income Capitalisation Approach

The **Comparison Method** entails the comparison between the Subject Property and sales of other similar properties in the vicinity with diligent adjustments made to reflect the differences and to arrive at the value of the Subject Property.

We have adopted the following four (4) comparables for the purpose of this analysis:-

Comparable	1	2	3	4
Source	JPPH Search Report & Form 14A search	KLSE Daily Diary Announcement dated 10 June 2011 & Form 14A search	KLSE Daily Diary Announcement dated 10 June 2011 & Form 14A search	JPPH Search Report & Form 14A search
Property	A five (5)-storey office building known as "Wisma Shell" (Wisma Shell, Block 3450, Jalan Teknokrat 3, Cyberjaya)	A seven (7)-storey office building known as "Prima 9" (Prima 9, Prima Avenue II, Block 3547, Persiaran Apec, Cyberjaya)	A seven (7)-storey office building known as "Prima 10" (Prima 10, Wisma RBC Dexia, Block 3544, Persiaran Apec, Cyberjaya)	A twelve (12)-storey office building known as "Menara Prisma" (formerly 26 Boulevard) (Menara Prisma, Persiaran Perdana, Presint 3, Putrajaya)
Tenure	Freehold	Freehold	Freehold	Freehold
Vendor	Joyful Gateway Sdn. Bhd.	Complete Event Sdn. Bhd.	Complete Event Sdn. Bhd.	Putrajaya Holdings Sdn. Bhd.
Purchaser	Lembaga Tabung Haji	AmFirst Rest Estate Investment Trust	AmFirst Rest Estate Investment Trust	Pelaburan Hartanah Berhad
Land Area	210,430 sq. ft.	67,996 sq. ft.	58,416 sq. ft.	88,533 sq. ft.
Net Lettable Area (NLA)	336,964 sq. ft.	111,224 sq. ft.	100,272 sq. ft.	377,483 sq. ft.
Nos. of Car Parks	1,325 bays	374 bays	307 bays	320 bays
Date of Transaction	26th September 2011	10th June 2011	10th June 2011	14th April 2010
Consideration	RM240,000,000	RM72,000,000	RM61,000,000	RM260,000,000
Analysis RM psf / NLA	RM712.24	RM647.34	RM608.35	RM688.77
Total Estimated Car Park Value	RM39,750,000 (RM30,000 per bay)	RM11,220,000 (RM30,000 per bay)	RM9,210,000 (RM30,000 per bay)	RM9,600,000 (RM30,000 per bay)
Analysis (excluding car park) RM psf	RM594.28	RM546.46	RM516.50	RM663.34
Adjustment				
Adjustment	**Upward Adjustment** Better market conditions, the Subject Property has smaller NLA and it is located within an integrated commercial development **Downward Adjustment** Comparable is in better location with secured tenancy for 10 years and it is a certified green building	**Upward Adjustment** Better market conditions and the Subject Property is located within an integrated commercial development **Downward Adjustment** Comparable is in better location and the purchase consideration is with tenancies	**Upward Adjustment** Better market conditions and the Subject Property is located within an integrated commercial development **Downward Adjustment** Comparable is in better location and the purchase consideration is with tenancies	**Upward Adjustment** Better market conditions, the Subject Property has smaller NLA and it is located within an integrated commercial development **Downward Adjustment** Comparable has better frontage road and it is a Grade A building
Adjusted Value	RM565.00 psf	RM575.00 psf	RM540.00 psf	RM730.00 psf

Based on a number of comparable sales extracted from the transactions of office building / condominiums such as Menara TSR, BU Centro and 1 Desa Residence, we have adopted RM30,000 per bay as a fair amount in the analysis.

Having concluded all the above comparables, we deemed Comparable 2 as the best comparable in view of it being the closest in terms of design, size and the estimated rental for the subject property. As such, we have adopted RM575.00 per sq. ft. as the base value to arrive at the market value of the Subject Property at RM76,300,000/- using the Comparison Method of Valuation.

In the **Income Capitalisation Approach** the **Investment Method** was adopted as a cross check.

In the **Investment Method**, the annual rental income of the property is estimated having provision for void, outgoings incidental to the ownership to arrive at the net annual rental value. The projected net annual income is then multiplied using an appropriate capitalisation rate to convert the income stream into the present capital value of the property.

The relevant capitalisation rate is chosen based on the investment rate of return to be expected from the type of property concerned taking into consideration such factors as risk, capital appreciation, security of income, ease of sale and management of the property.

In adopting the Investment Method of Valuation we have considered the following parameters as key to this valuation.

Rental	We noted the current asking rental in Putrajaya are in the region of RM5.50 psf to RM6.00 psf, however, due to poor take up rates registered for such buildings, we have articulated a lower rental regime beginning RM4.50 psf, which in our opinion would fare better in terms of occupancy.
Outgoing	For being a new building we have allowed an outgoing of 15% of the gross annual rental, deemed fair for this exercise.
Void	At the said rental rate of RM4.50 psf we estimated the occupancy would rise to 80%, leaving a void of 20%.
Capitalisation rate (Yield)	See table below. The above analysis revealed a yield in the region of 6.5% to 7.0%. For the purpose of this valuation, we have adopted a yield of 6.5%.

Property	Transacted Price *(Transacted Date)*	Gross Annual Rental (GAR)	Estimated Outgoing Say 15% of GAR	Analysed Yield
Axis Eureka, No. 3539, Jalan Teknokrat 7, Cyberjaya	RM51,250,000/- *(18/04/2011)*	RM4,154,000.00	RM623,100.00	7.0%
Prima 9, Prima Avenue II, Block 3547, Persiaran Apec, Cyberjaya	RM5,562,425/- *(10/06/2011)*	RM5,562,425.00	RM834,364.00	6.5%

Present Value (PV)	We have discounted the future income of the investment using a discount rate of 6.5% to arrive at the present value of the Subject Property.

Basing on the above parameter, we have arrived at a Market Value of RM72,000,000/- using the Investment Method of valuation.

Reconciliation of Values

In summary, the Market Value derived by way of Comparison Method is estimated at RM76,300,000/- whilst adopting the Investment Method, is at RM72,000,000/- .

For the purpose of this Valuation, we have adopted the Market Value as derived from the **Comparison Method of Valuation** because it is premised upon valid and conclusive sales data. Unlike the Investment Method, where the parameters adopted, such as rental rates, outgoings and occupancy are merely hypothetical that requires further testing. Hence, we deploy the Investment Method of Valuation only as a check.

Conclusion

Taking into consideration of all relevant factors, it is our opinion that the market value of the Subject Property as at **21th February 2013** is **RM76,300,000/- (RINGGIT MALAYSIA: SEVENTY SIX MILLION AND THREE HUNDRED THOUSAND ONLY).**

"IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ADDITIONAL ASSUMPTION(S) AS STATED ABOVE, THEN APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON AN ASSUMPTION(S) THAT IS/ARE NOT YET OR FULLY REALISED".

Yours faithfully
PA INTERNATIONAL
PROPERTY CONSULTANTS (KL) SDN BHD

PA International Property Consultants (KL) Sdn Bhd KUALA LUMPUR

SUBRAMANIAM A/L ARUMUGAM, FRISM, MRICS, MPEPS
Chartered Valuation Surveyor
& Registered Valuer (V-450)
SUB

ADDITIONAL INFORMATION

1. SHARE CAPITAL

(i) Save for the Rights ICULS and, if any, the new L&G Shares to be issued arising from the conversion of the ICULS, no other securities will be allotted or issued on the basis of this AP later than twelve (12) months after the date of issue of this AP.

(ii) We have only one (1) class of shares, namely ordinary shares of RM0.20 each, all of which rank *pari passu* with one another as at the date of this AP.

(iii) Save for up to 598,304,530 new L&G Shares to be issued arising from the full conversion of the ICULS, no securities in our Company have been issued or agreed to be issued, as partly or fully paid-up for a consideration in cash or otherwise than in cash, within two (2) years preceding the date of this AP.

(iv) As of the date of this AP, save for our Entitled Shareholders who will be provisionally allotted the Rights ICULS to be issued pursuant to the Rights Issue of ICULS, no other person has been or is entitled to be granted an option to subscribe for any securities of our Company.

2. REMUNERATION OF DIRECTORS

The following provisions are reproduced from our Company's Articles of Association. Terms defined in our Articles of Association shall have the same meanings when used herein unless they are otherwise defined herein or the context otherwise requires.

Article 81

The remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company, and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall so far as non-executive directors are concerned be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover.

Article 84

The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors, or of any committee of the Directors, or General Meetings, or otherwise in or about the business of the Company.

Article 85

Any Director, who is appointed to any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise (but not a commission on or percentage of turnover) as the Directors may determine.

Article 90

A Managing Director shall receive such remuneration whether by way of salary, commission or participation in profits, or partly in one way and partly in another but not by way of commission or percentage of turnover as the Directors may determine.

Article 99

Any Director who is absent from or about to leave Malaysia may at any time appoint any person approved by a majority of the Directors to act as his alternate, and may at any time remove any alternate Director so appointed by him. An alternate Director so appointed shall not in respect of such appointment be entitled to receive any remuneration from the Company, but shall otherwise be subject to the provisions of these presents with regard to Directors. Any fee paid by the Company to the alternate shall be deducted from that Director's remuneration. An alternate Director shall (subject to his giving to the Company an address within Malaysia at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors, and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally at such meeting to perform all the functions of his appointor as a Director in the absence of such appointor. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases to be a Director for any reason, except retirement by rotation and immediate re-election. All appointments and removal of alternate Directors shall be effected by writing under the hand of the Director making or revoking such appointment left at the office.

3. MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts (not being contracts entered into in the ordinary course of business) entered into by our Group within two (2) years immediately preceding the date of this AP:

(i) the Agreements:

(a) the MSA and thirteen (13) SPAs all dated 9 April 2013 entered into between MASB and MDSB whereby MASB has agreed to sell and MDSB has agreed to purchase all the office suites situated from Level 1 to Level 13 comprised in the Project for a total cash consideration of RM72,485,000;

(b) Thirteen (13) DMCs all dated 9 April 2013 entered into between MDSB and MASB for the mutual benefit of MASB and MDSB as well as the other owners of the Project; and

(ii) The Trust Deed dated 6 August 2013 entered into between L&G and Pacific Trustees whereby Pacific Trustees has agreed to act as trustee of the Trust Deed for the benefit of the holders of the ICULS.

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4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below, as at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of our Company have no knowledge of any proceedings pending or threatened against our Company and/or any of our subsidiaries or of any facts likely to give rise to any proceedings which might adversely and materially affect the financial position or business of our Company and/or any of our subsidiaries:

(i) **Arbitration between Las Maha Corporation Sdn Bhd ("Las Maha") and Sri Damansara Sdn Bhd ("SDSB")**

On 21 January 2000, Las Maha entered into a contract with SDSB, a wholly-owned subsidiary of our Company, to carry out construction and completion of building and relevant infrastructure works of the development project in Bandar Sri Damansara for a contract sum of RM11.5 million. Due to late delivery of the project SDSB has imposed liquidated damages on Las Maha for late completion of the project. On 2 April 2004, Las Maha sent a Notice of Arbitration to SDSB alleging, inter alia, that SDSB was not entitled for any damages for late completion of the project as Las Maha had achieved Practical Completion of works within reasonable time. In view of this SDSB has decided to refer the matter to Arbitration. Las Maha is claiming for the sum of RM2.2 million and SDSB has submitted a counter-claim for the amount of RM4.8 million, being liquidated damages claim of RM2.8 million and other claims totaling RM2.0 million. SDSB was subsequently informed by its solicitors that Las Maha has been wound up on 15 February 2005. SDSB's solicitors have filed the proof of debt on 20 February 2006. The provisional liquidator has yet to call for a creditors meeting; and

(ii) **AK2 Runding Sdn Bhd ("AK2") v Navistar Sdn Bhd ("Navistar")**
Kuala Lumpur High Court (Civil Division) Suit No. S3-22-861-2008

A claim of RM6.7 million was made against Navistar, a wholly-owned subsidiary of our Group, by AK2. The claim is for purported fees due and outstanding for unpaid balance of professional fees for architectural consultancy services rendered for a proposed three stage commercial development then undertaken by Navistar. AK2 served the Writ of summons dated 20 August 2008 on Navistar and Navistar had responded. The decision of the trial judge was handed down on 26 March 2013. Judgment has been entered against Navistar for the whole sum of RM6,059,573.90 together with the interest on the said judgment principal sum at 5% per annum from 26 March 2013 to the date of full realisation and cost at RM60,000.00. Navistar has filed an appeal to the Court of Appeal against the High Court's decision on 8 April 2013. The solicitors of Navistar are of the opinion that Navistar has a strong chance of succeeding in the appeal against the said High Court's judgment.

On 15 May 2013, Navistar had also filed a notice for a stay of execution of the said High Court's judgment ("**Stay of Execution**"). On 2 July 2013, the High Court had decided in Navistar's favour and granted the Stay of Execution.

5. GENERAL

(i) The nature of our Group's business is described in Appendix II of this AP. There are no other corporations which are deemed related to us by virtue of Section 6 of the Act, except as disclosed in Section 6 of Appendix II of this AP.

(ii) The estimated expenses in relation to the Corporate Exercises of approximately RM1.00 million will be borne by our Company.

(iii) There are no existing or proposed service contracts between our Directors and our Company or our subsidiaries, excluding contracts expiring or determinable by the employing company without payment or compensation (other than statutory compensation) within one (1) year from the date of this AP.

(iv) Our Directors are not aware of any material information, including special trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group, except as disclosed in Sections 9 and 11 of this AP.

(v) Save as disclosed in Section 11 of this AP and the risk factors mentioned in Section 9 of this AP, the financial conditions and operations of our Group are not affected by any of the following:

(a) known trends or known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the liquidity of our Group increasing or decreasing in any material way;

(b) material commitments for capital expenditure of our Group;

(c) unusual or infrequent events or transactions or any significant economic changes that materially affect the amount of reported income from our operations;

(d) known trends or uncertainties that have had, or that our Group reasonably expects will have, a material favorable or unfavorable impact on our revenue or operating income; and

(e) fluctuation in our Group's revenue.

6. CONSENTS

Our Adviser, Due Diligence Solicitors, Company Secretaries, Trustee, ICULS Registrar, Principal Bankers and Bloomberg Finance L.P. have given and have not subsequently withdrawn their respective written consents to the inclusion in this AP of their names and all references thereto, in the form and context in which they appear in this AP.

Messrs. Siew Boon Yeong & Associates, our Reporting Accountants, has given and has not subsequently withdrawn its written consent to the inclusion in this AP of its name, the proforma consolidated statements of financial position of our Company as at 31 March 2013 together with the Reporting Accountants' letter thereon and all references thereto, in the form and context in which they appear in this AP.

Messrs. Ernst & Young, our Auditors, has given and has not subsequently withdrawn its written consent to the inclusion in this AP of its name, the audited consolidated financial statements of our Company for the FYE 31 March 2013 together with the Auditors' report thereon and all references thereto, in the form and context in which they appear in this AP.

PA International, our Independent Registered Valuer, has given and has not subsequently withdrawn its written consent to the inclusion in this AP of its name, the valuation certificate for the Acquisition dated 2 August 2013 and all references thereto, in the form and context in which they appear in this AP.

7. CONFLICT OF INTERESTS

Save as disclosed below, PIVB has given its confirmation that it has no directorship with our Group nor any equity and/or financial relationship with our Group, our Directors and/or our substantial shareholders that may give rise to a conflict of interest situation in its capacity to act as the Adviser in connection with the Rights Issue of ICULS.

ADDITIONAL INFORMATION *(Cont'd)*

PIVB is a wholly-owned subsidiary of Public Bank Berhad ("**PBB**"). PIVB and also PBB and its subsidiaries companies ("**PBB Group**") form a diversified financial group and involve in a wide range of commercial and investment banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. PBB Group engages in transactions with and performs services for our Group and/or our affiliates in the ordinary course of business and/or has engaged, and in the future may engage, in commercial banking, investment banking and other services in the ordinary course of business with our Group and/or our affiliates.

PIVB has considered the factors involved and believes that its objectivity and independence as the Adviser are maintained at all times, notwithstanding the aforementioned services entered into with our Group and/or our affiliates, for the following reasons:

(i) PIVB is a licensed investment bank regulated by BNM and the SC. The appointment as the Adviser to our Company for the Rights Issue of ICULS is in the ordinary course of its business. There are adequate standard operating policies and procedures including "Chinese Wall" as prescribed by the regulators, segregating the corporate finance and advisory business of PIVB from all other business units of PIVB and also the PBB Group;

(ii) PIVB's role as the Adviser has been carried out professionally and objectively guided by the relevant terms of the due diligence planning memorandum of the Due Diligence Working Group ("**DDWG**") set up in accordance with the relevant guidelines of the SC. The due diligence processes and the verification exercises undertaken by the DDWG involving the participation by the Directors and senior management of our Company, the Reporting Accountants, the Due Diligence Solicitors, the Company Secretary and PIVB have been duly undertaken and performed in relation to the preparation of relevant documents (including this AP) relating to the Rights Issue of ICULS;

(iii) PIVB does not receive or derive any financial interest or monetary benefit from the implementation of the Rights Issue of ICULS other than the professional fees charged in relation to its role as the Adviser; and

(iv) the gross proceeds that will be raised from the Rights Issue of ICULS would be utilised to fund the Acquisition and working capital requirements of our Group.

In view of the above, PIVB is of the view that the aforementioned services, entered into in the ordinary course of business with our Group and/or our affiliates, are not significant to give rise to a conflict of interest situation in its capacity as the Adviser in connection with the Rights Issue of ICULS.

Messrs. Jeff Leong, Poon & Wong and Messrs. Siew Boon Yeong & Associates have given their respective confirmations that they have no directorship with our Group nor any equity and/or financial relationship with our Group, our Directors and/or our substantial shareholders that may give rise to a conflict of interest situation in their capacity to act as the Due Diligence Solicitors and Reporting Accountants, respectively in connection with the Rights Issue of ICULS.

PA International has given its confirmation that it has no directorship with our Group nor any equity and/or financial relationship with our Group, our Directors and/or our substantial shareholders that may give rise to a conflict of interest situation in its capacity to act as the Independent Registered Valuer in connection with the Acquisition.

Pacific Trustees has given its confirmation that it has no directorship with our Group nor any equity and/or financial relationship with our Group, our Directors and/or our substantial shareholders that may give rise to a conflict of interest situation in its capacity to act as the Trustee for the holders of the ICULS to be issued pursuant to the Rights Issue of ICULS.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents will be made available for inspection at our Registered Office from Mondays to Fridays (excluding public holidays) during business hours for a period of twelve (12) months from the date of this AP:

(i) our Memorandum and Articles of Association;

(ii) the Trust Deed constituting the ICULS;

(iii) the Agreements;

(iv) the letters of Irrevocable Undertaking by MPSB dated 15 April 2013 as referred to in Section 4 of this AP;

(v) our proforma consolidated statements of financial position as at 31 March 2013 together with the Reporting Accountants' letter thereon as set out in Appendix III of this AP;

(vi) our audited consolidated financial statements for the past two (2) FYEs 31 March 2012 and 2013;

(vii) our Directors' Report as set out in Appendix V of this AP;

(viii) the valuation report and valuation certificate from PA International as set out in Appendix VI of this AP;

(ix) the relevant cause papers in relation to the material litigation as referred to in Section 4 of this Appendix; and

(x) the letters of consent as referred to in Section 6 of this Appendix.

9. RESPONSIBILITY STATEMENTS

(i) Our Directors have seen and approved the Documents and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable inquires and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement in the Documents false or misleading; and

(ii) PIVB, being our Adviser, acknowledges that, based on all available information and to the best of its knowledge and belief, this AP constitutes a full and true disclosure of all material facts concerning the Rights Issue of ICULS.

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