**THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

This Abridged Prospectus, together with the notice of provisional allotment and the rights subscription form ("**RSF**") (collectively, the "**Documents**"), are only to be despatched to the shareholders of Goldis Berhad ("**Goldis**" or "**Company**") who have a registered address or an address for service in Malaysia and whose names appear in our Record of Depositors as at 5.00 p.m. on 20 January 2015 ("**Entitled Shareholders**"). The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that the Rights Issue of RCPS (as defined in this Abridged Prospectus) complies with the laws related to public offerings of any country or jurisdiction where action for such purpose is required, other than the laws of Malaysia. Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers as to whether the acceptance or renunciation (as the case may be) of their provisional allotment of RCPS (as defined below) under the Rights Issue of RCPS ("**Provisional RCPS**"), application for Excess RCPS (as defined in this Abridged Prospectus), or the subscription, offer, sale, resale, pledge or other transfer of the RCPS would result in the contravention of any laws of such countries or jurisdictions. Our Company and CIMB Investment Bank Berhad ("**CIMB**") shall not accept any responsibility or liability in the event that any acceptance or renunciation (as the case may be) of Provisional RCPS, application for Excess RCPS, or the subscription, offer, sale, resale, pledge or other transfer of the RCPS made by any Entitled Shareholder and/or his renouncee(s) and/or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholder and/or his renouncee(s) and/or transferee(s) (if applicable) is resident.

Our shareholders have approved the Rights Issue of RCPS at our Extraordinary General Meeting held on 23 December 2014. Bursa Malaysia Securities Berhad ("**Bursa Securities**") has, on 25 November 2014, approved the admission of the RCPS to the Official List of Bursa Securities and the listing of and quotation for the RCPS and the New Shares (as defined in this Abridged Prospectus) to be issued pursuant to the conversion of the RCPS on the Main Market of Bursa Securities. Bank Negara Malaysia has, on 28 November 2014, approved the issue of RCPS to non-resident shareholders of our Company pursuant to the Rights Issue of RCPS. Admission of the RCPS to the Official List of Bursa Securities and the listing of and quotation for the RCPS and the New Shares to be issued pursuant to the conversion of the RCPS on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue of RCPS. The official listing of and quotation for the RCPS will commence after, amongst others, receipt of confirmation from Bursa Malaysia Depository Sdn Bhd that all Central Depository System accounts of the successful Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

A copy of this Abridged Prospectus has been registered with the Securities Commission Malaysia ("**SC**"). The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue of RCPS or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy of this Abridged Prospectus, together with the RSF, has also been lodged with the Registrar of Companies of Malaysia, who takes no responsibility for their contents.

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 enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in the Documents false or misleading.

CIMB, being the Principal Adviser for the Rights Issue of RCPS, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue of RCPS.

**GOLDIS BERHAD**

(515802-U)

(Incorporated in Malaysia under the Companies Act, 1965)

# RENOUNCEABLE RIGHTS ISSUE OF UP TO 457.9 MILLION NEW REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES OF RM0.01 EACH IN GOLDIS ("RCPS") ON THE BASIS OF 3 RCPS FOR EVERY 4 EXISTING ORDINARY SHARES OF RM1.00 EACH IN GOLDIS ("GOLDIS SHARES") HELD AS AT 5.00 P.M. ON 20 JANUARY 2015, AT AN ISSUE PRICE OF RM1.00 PER RCPS AND CONVERTIBLE INTO GOLDIS SHARES

***Principal Adviser***

CIMB

**CIMB Investment Bank Berhad (18417-M)**

(A Participating Organisation of Bursa Malaysia Securities Berhad)

**IMPORTANT DATES AND TIMES:**

| | | |
|---|---|---|
| Entitlement Date | : | Tuesday, 20 January 2015 at 5.00 p.m. |
| Last date and time for the sale of Provisional RCPS | : | Tuesday, 27 January 2015 at 5.00 p.m. |
| Last date and time for the transfer of Provisional RCPS | : | Friday, 30 January 2015 at 4.00 p.m. |
| Last date and time for acceptance and payment | : | Friday, 6 February 2015 at 5.00 p.m.* |
| Last date and time for excess application and payment | : | Friday, 6 February 2015 at 5.00 p.m.* |

* or such later date and time as our Board of Directors and our Principal Adviser may mutually decide and announce not less than two (2) Market Days (as defined in this Abridged Prospectus) before the stipulated date and time.

This Abridged Prospectus is dated 20 January 2015

**THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.**

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RENOUNCEABLE RIGHTS ISSUE OF UP TO 457.9 MILLION RCPS, CONVERTIBLE INTO NEW GOLDIS SHARES (THE "RIGHTS ISSUE OF RCPS") AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

**INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CAPITAL MARKETS AND SERVICES ACT, 2007 ("CMSA").**

**SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA (SUCH AS OUR DIRECTORS AND PRINCIPAL ADVISER) ARE RESPONSIBLE.**

**THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR PRINCIPAL ADVISER ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR PRINCIPAL ADVISER HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR PRINCIPAL ADVISER REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.**

**THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE OF RCPS UNDER THE LAWS OF MALAYSIA. WE AND OUR PRINCIPAL ADVISER HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.**

**ALL TERMS USED ARE AS DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS.**

## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:

| | | |
|---|---|---|
| Act | : | Companies Act, 1965 and any amendments and re-enactments made thereto from time to time |
| Amendments | : | The amendments to our Company's Memorandum and Articles of Association in respect of the issuance of RCPS pursuant to the Rights Issue of RCPS and Increase in Authorised Share Capital |
| BNM | : | Bank Negara Malaysia |
| Board | : | Board of Directors of our Company |
| Bursa Depository | : | Bursa Malaysia Depository Sdn Bhd |
| Bursa Securities | : | Bursa Malaysia Securities Berhad |
| CDS | : | Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository |
| CDS Account | : | The account established by Bursa Depository for a depositor for the recording of deposit of securities and dealings in such securities by the said depositor |
| CIMB or Principal Adviser | : | CIMB Investment Bank Berhad |
| Circular | : | The circular to our shareholders dated 28 November 2014 in relation to the Rights Issue of RCPS, the Increase in Authorised Share Capital and the Amendments |
| CMSA | : | Capital Markets and Services Act, 2007 and any amendments and re-enactments made thereto from time to time |
| Conversion Period | : | Subject to the clause on Redemption in Section 2.3 of this Abridged Prospectus, the period commencing from the date of listing of the RCPS up to and including the Maturity Date |
| Conversion Price | : | RM2.28, being the conversion price of the RCPS for every one (1) New Share |
| Documents | : | This Abridged Prospectus and the accompanying NPA and RSF, collectively |
| EGM | : | Extraordinary General Meeting |
| Entitled Shareholder(s) | : | The shareholder(s) of Goldis whose name(s) appear in the Record of Depositors of Goldis as at the Entitlement Date in order to be entitled to participate in the Rights Issue of RCPS |
| Entitlement Basis | : | The entitlement basis for the Rights Issue of RCPS, being three (3) RCPS for every four (4) existing Shares held on the Entitlement Date |
| Entitlement Date | : | 5.00 p.m. on Tuesday, 20 January 2015, being the time and date on which the shareholder(s) of Goldis must be registered as member(s) and whose name(s) appear in the Record of Depositors of Goldis in order to be entitled to participate in the Rights Issue of RCPS |
| EPS | : | Earnings per share |
| Excess RCPS | : | Any RCPS which are not subscribed or validly subscribed by the Entitled Shareholders |
| Foreign Addressed Shareholder | : | Our shareholders on the Entitlement Date who have not provided an address in Malaysia for service of documents |
| FPE | : | Financial period ended |

| | | |
|---|---|---|
| FYE | : | Financial year ended/ending, as the case may be |
| Goldis or Company | : | Goldis Berhad |
| Goldis Group or Group | : | Goldis and its subsidiaries |
| Goldis Shares or Shares | : | Ordinary shares of RM1.00 each in Goldis |
| IGB Corp | : | IGB Corporation Berhad |
| IGB Corp Shares | : | Ordinary shares of RM0.50 each in IGB Corp |
| Increase in Authorised Share Capital | : | Increase in the authorised share capital of Goldis from RM1,000,000,000 comprising 1,000,000,000 Goldis Shares to RM1,510,000,000 comprising 1,500,000,000 Goldis Shares and 1,000,000,000 RCPS |
| Issue Date | : | The date of issuance of the RCPS |
| Issue Price | : | RM1.00 cash for each RCPS |
| Listing Requirements | : | Main Market Listing Requirements of Bursa Securities, as amended from time to time |
| LPD | : | 16 December 2014, being the latest practicable date prior to the date of this Abridged Prospectus |
| Market Day | : | A day on which Bursa Securities is open for trading in securities |
| Maturity Date | : | The date occurring on the fifth ($5^{th}$) anniversary of the Issue Date |
| Minimum Subscription Level | : | The minimum subscription level of RM400.0 million of RCPS (based on the Issue Price) pursuant to the Rights Issue of RCPS |
| Multistock | : | Multistock Sdn Bhd, a wholly-owned subsidiary of Goldis |
| NA | : | Net assets |
| New Share(s) | : | The new Goldis Share(s) to be issued to a RCPS Holder in accordance with the terms of the Articles of Association of our Company on exercise of its conversion rights in relation to the RCPS |
| NPA | : | Notice of provisional allotment of RCPS in relation to the Rights Issue of RCPS |
| Offer | : | The take-over offer by our Company to acquire the Offer Shares at a cash offer price of RM2.88 per Offer Share |
| Offer Shares | : | The remaining IGB Corp Shares (excluding treasury shares) not already owned by our Company |
| Provisional RCPS | : | RCPS provisionally allotted to our Entitled Shareholders |
| RCPS | : | The new redeemable convertible cumulative preference shares of RM0.01 each in Goldis to be issued pursuant to the Rights Issue of RCPS |
| RCPS Closing Date | : | The last time and date for acceptance and payment for the Provisional RCPS and/or Excess RCPS, being 5.00 p.m. on Friday, 6 February 2015 |
| RCPS Holder(s) | : | Holder(s) of the RCPS |
| Record of Depositors | : | Our Company's record of depositors maintained by Bursa Depository under the Rules of Bursa Depository |
| Rights Issue of RCPS | : | Renounceable rights issue of up to 457.9 million RCPS, on the Entitlement Basis at the Issue Price |
| RM and sen | : | Ringgit Malaysia and sen, respectively |
| RSF | : | Rights subscription form in relation to the Rights Issue of RCPS |
| Rules of Bursa Depository | : | The Rules of Bursa Depository issued pursuant to the SICDA |

| | | |
|---|---|---|
| SC | : | Securities Commission Malaysia |
| SICDA | : | Securities Industry (Central Depositories) Act, 1991, as amended from time to time and any re-enactment thereof |

All references to "**our Company**" or "**Goldis**" in this Abridged Prospectus are to Goldis Berhad and references to "**our Group**" are to our Company and our subsidiaries. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company and, where the context otherwise requires, our subsidiaries.

All references to "**you**" and "**your**" in this Abridged Prospectus are to the shareholders of our Company and/or where the context requires otherwise, their renouncee(s) and/or transferee(s).

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include corporations.

Any reference in this Abridged Prospectus to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day or date in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding.

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APPENDICES



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## CORPORATE DIRECTORY

### OUR BOARD

| Name *(Designation)* | Address | Age | Nationality | Occupation |
|---|---|---|---|---|
| Tan Lei Cheng *(Executive Chairman and Chief Executive Officer)* | Apt. 20-03 Tara<br>No. 33 Jalan Ampang Hilir<br>55000 Kuala Lumpur | 57 | Malaysian | Chief Executive Officer |
| Datuk Tan Kim Leong @ Tan Chong Min *(Senior Independent Non-Executive Director)* | B-PH-1-Tower B<br>Mutiara Upper East Ampang<br>39, Jalan 1/76<br>Desa Pandan<br>55100 Kuala Lumpur | 75 | Malaysian | Chartered Accountant |
| Daud Mah Bin Abdullah @ Mah Siew Whye *(Independent Non-Executive Director)* | 8 Lorong Taman Pantai 1<br>Off Jalan Taman Pantai<br>Bukit Pantai<br>59100 Kuala Lumpur | 53 | Malaysian | Chief Executive Officer |
| Dato' Seri Robert Tan Chung Meng *(Non-Independent Executive Director)* | 1 Biggs Road<br>10350 Penang | 62 | Malaysian | Group Managing Director |
| Lee Chaing Huat *(Independent Non-Executive Director)* | 4, Jalan TR6/1<br>Tropicana Golf & Country Resort<br>47410 Petaling Jaya<br>Selangor | 61 | Malaysian | Company Director |
| Tan Boon Lee *(Non-Independent Executive Director)* | 5, Lorong Kota 3<br>Bukit Ledang<br>Taman Duta<br>50480 Kuala Lumpur | 50 | Malaysian | Executive Director |
| Daniel Yong Chen-I *(Non-Independent Executive Director)* | Lot 2338, Taman Hillview<br>Jalan Ulu Kelang<br>68000 Ampang<br>Selangor | 43 | Malaysian | Joint Chief Operating Officer (Mid Valley Megamall) |
| Tan Mei Sian *(Alternate Director to Tan Boon Lee)* | B-18, Park Seven<br>5 Persiaran KLCC<br>50450 Kuala Lumpur | 31 | Malaysian | Director, Corporate & Investment |

## CORPORATE DIRECTORY (*Cont'd*)

### AUDIT COMMITTEE

| Name | Designation | Directorship |
| --- | --- | --- |
| Datuk Tan Kim Leong @ Tan Chong Min | Chairman | Senior Independent Non-Executive Director |
| Daud Mah Bin Abdullah @ Mah Siew Whye | Member | Independent Non-Executive Director |
| Lee Chaing Huat | Member | Independent Non-Executive Director |

**COMPANY SECRETARIES** : Chow Lai Ping (MAICSA 0829388)
5 Jalan SL 4/5
Bandar Sg Long
43000 Kajang
Selangor

Leong Kok Chi (MIA 11054)
31 Jalan Wangsamas 3
Bukit Wangsamas
Off Jalan Jelatek
53300 Kuala Lumpur

**REGISTERED OFFICE** : Suite 28-03, Level 28, GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

Tel. no.: +603 2168 1888
Fax no.: +603 2163 7020

**HEAD OFFICE** : Suite 28-03, Level 28, GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

Tel. no.: +603 2168 1888
Fax no.: +603 2163 7020
E-mail: susanchow@goldis.com
Website: www.goldis.com

## CORPORATE DIRECTORY (*Cont'd*)

**PRINCIPAL BANKERS** : CIMB Bank Berhad
17th Floor, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

Tel. no.: +603 2261 8888 (Corp Banking)
Fax no.: +603 2261 8889 (Corp Banking)

Hong Leong Bank Berhad
Level 5, Wisma Hong Leong
18, Jalan Perak
50450 Kuala Lumpur

Tel. no.: +603 2180 8888
Fax no.: +603 2715 8697

HSBC Bank Malaysia Berhad
Main Office,
2, Leboh Ampang
50100 Kuala Lumpur

Tel. no.: +1300 88 0181
Fax no.: +603 2179 6510 (Corp Banking)

Malayan Banking Berhad
Menara Maybank
100 Jalan Tun Perak
50050 Kuala Lumpur

Tel. no.: +603 2070 8833 (Corp Banking)
Fax no.: +603 2026 5267 (Corp Banking)

Public Bank Berhad
Menara Public Bank
No. 146 Jalan Ampang
50450 Kuala Lumpur

Tel. no.: +603 2176 6000 (Corp Banking)
Fax no.: +603 2163 9917 (Corp Banking)

## CORPORATE DIRECTORY (*Cont'd*)

| | | |
|---|---|---|
| **AUDITORS AND REPORTING ACCOUNTANTS** | : | Messrs PricewaterhouseCoopers (AF 1146)<br>Level 10, 1 Sentral<br>Jalan Travers<br>Kuala Lumpur Sentral<br>50706 Kuala Lumpur<br><br>Tel. no.: +603 2173 1188<br>Fax no.: +603 2173 1288 |
| **PRINCIPAL ADVISER** | : | CIMB Investment Bank Berhad<br>17th Floor, Menara CIMB<br>Jalan Stesen Sentral 2<br>Kuala Lumpur Sentral<br>50470 Kuala Lumpur<br><br>Tel. no.: +603 2261 8888<br>Fax no.: +603 2261 8889 |
| **SHARE REGISTRAR FOR THE RIGHTS ISSUE OF RCPS** | : | Tricor Investor Services Sdn Bhd<br>Level 17, The Gardens North Tower<br>Mid Valley City, Lingkaran Syed Putra<br>59200 Kuala Lumpur<br><br>Tel. no.: +603 2264 3883<br>Fax no.: +603 2282 1886 |
| **SOLICITORS FOR THE RIGHTS ISSUE OF RCPS** | : | Messrs Rahmat Lim & Partners<br>Suite 33.01 Level 33<br>The Gardens North Tower<br>Mid Valley City, Lingkaran Syed Putra<br>59200 Kuala Lumpur<br><br>Tel. no.: +603 2299 3888<br>Fax no.: +603 2287 1278 |
| **STOCK EXCHANGE LISTED AND LISTING SOUGHT** | : | Main Market of Bursa Securities |

**GOLDIS**
**BERHAD**
(515802-U)
(Incorporated in Malaysia under the Companies Act, 1965)

**Registered Office**
Suite 28-03, Level 28, GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

20 January 2015

**Board of Directors:**

Tan Lei Cheng *(Executive Chairman and Chief Executive Officer)*
Datuk Tan Kim Leong @ Tan Chong Min *(Senior Independent Non-Executive Director)*
Daud Mah Bin Abdullah @ Mah Siew Whye *(Independent Non-Executive Director)*
Dato' Seri Robert Tan Chung Meng *(Non-Independent Executive Director)*
Lee Chaing Huat *(Independent Non-Executive Director)*
Tan Boon Lee *(Non-Independent Executive Director)*
Daniel Yong Chen-I *(Non-Independent Executive Director)*
Tan Mei Sian *(Alternate Director to Tan Boon Lee)*

**To: Our Shareholders**

Dear Sir/Madam,

**RENOUNCEABLE RIGHTS ISSUE OF UP TO 457.9 MILLION NEW RCPS ON THE BASIS OF 3 RCPS FOR EVERY 4 GOLDIS SHARES HELD ON THE ENTITLEMENT DATE, AT THE ISSUE PRICE AND CONVERTIBLE INTO GOLDIS SHARES**

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## 1. INTRODUCTION

On 13 October 2014, on behalf of our Board, CIMB announced our intention to undertake, *inter alia*, the Rights Issue of RCPS.

On 26 November 2014, on behalf of our Board, CIMB announced that Bursa Securities has, vide its letter dated 25 November 2014, granted its approval for the following:

(i) admission to the Official List of Bursa Securities and the listing and quotation of up to 460,000,000 RCPS to be issued pursuant to the Rights Issue of RCPS; and

(ii) listing and quotation of up to 232,323,232 New Shares to be issued pursuant to the conversion of the RCPS.

The approval of Bursa Securities is subject to the following conditions:

| | **Conditions imposed** | **Status of compliance** |
|---|---|---|
| (i) | Our Company and CIMB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue of RCPS; | Noted. |
| (ii) | Our Company and CIMB to inform Bursa Securities upon the completion of the Rights Issue of RCPS; | To be complied. |
| (iii) | Our Company to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue of RCPS is completed; | To be complied. |
| (iv) | Our Company obtaining approval from BNM for the issuance of the RCPS to non-residents; | Complied. |
| (v) | Our Company to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the conversion of RCPS as at the end of each quarter together with a detailed computation of listing fees payable; and | To be complied. |
| (vi) | To incorporate Bursa Securities' comments in respect of the draft Circular provided in the attachment to Bursa Securities' letter dated 25 November 2014. | Complied. |

On 1 December 2014, on behalf of our Board, CIMB announced that BNM has, vide its letter dated 28 November 2014, approved the issuance of RCPS to non-resident shareholders of our Company pursuant to the Rights Issue of RCPS. Following BNM's approval, our Company is required to inform BNM of the Issue Date and the final RCPS subscription level by non-resident shareholders of our Company after its issuance. The approval of BNM is subject to the following conditions:

| | **Conditions imposed** | **Status of compliance** |
|---|---|---|
| (i) | Goldis is required to redeem the RCPS in RM or foreign currency (other than in the national currency of Israel). In the case where redemption is made in RM, it is to be made into the external accounts of the non-resident shareholders of our Company which are maintained in Malaysia; | To be complied. |
| (ii) | Any conversion of foreign currency into RM or vice versa is to be conducted with licensed domestic banks (commercial banks, Islamic banks other than international Islamic banks or licensed investment banks) ("**Licensed Local Banks**"); | Noted. |
| (iii) | For each redemption and dividend payable to the non-resident shareholders of our Company equal to or more than RM200,000 (or its equivalent in foreign currency), Goldis is required to provide the Licensed Local Banks with such information that is required by them, to ease the compilation of the payment balance statistics by BNM; and | Noted. |

| Conditions imposed | Status of compliance |
|---|---|
| (iv) Goldis is required to notify the non-resident shareholders of our Company of the requirement that any foreign currency hedging to minimise the exposure risk to RM by the non-resident shareholders of our Company should only be carried out with Licensed Local Banks. | Complied. |

BNM's approval will be deemed to be withdrawn in the event (a) the proceeds raised from the issuance of the RCPS is utilised for a purpose other than to partially refinance the borrowings obtained in connection with the Offer and/or (b) Goldis fails to issue the RCPS within the Q1 2015.

Goldis is further required to obtain BNM's prior approval (a) for any change to the terms and/or purpose of the utilisation of proceeds raised from the RCPS issued and/or (b) where the RCPS is issued later than the Q1 2015.

Thereafter, at our EGM held on 23 December 2014, our shareholders had approved, *inter alia*, the Rights Issue of RCPS. A certified true extract of the resolutions pertaining to the Rights Issue of RCPS passed at the said EGM is set out in Appendix I of this Abridged Prospectus.

On 23 December 2014, CIMB had, on behalf of our Board, announced that the Conversion Price has been fixed at RM2.28 and the Entitlement Basis has been fixed at three (3) RCPS for every four (4) existing Goldis Shares held. On 6 January 2015, CIMB announced on behalf of our Board that the Entitlement Date for the Rights Issue of RCPS had been fixed at 5.00 p.m. on 20 January 2015.

No person is authorised to give any information or make any representation not contained in the Documents in connection with the Rights Issue of RCPS and if given or made, such information or representation must not be relied upon as having been authorised by us and/or CIMB.

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

## 2. RIGHTS ISSUE OF RCPS

### 2.1 Details of the Rights Issue of RCPS

Subject to the terms and conditions of the Documents, we shall provisionally allot up to 457.9 million RCPS to the Entitled Shareholders on the basis of three (3) RCPS for every four (4) existing Goldis Shares held by the Entitled Shareholders on the Entitlement Date at the Issue Price.

Based on this, an aggregate of up to RM457.9 million will be raised, assuming the full subscription by the Entitled Shareholders of their respective entitlements under the Rights Issue of RCPS.

The RCPS will be provisionally allocated to the Entitled Shareholders on the Entitlement Date. Any fractional entitlements under the Rights Issue of RCPS will be disregarded and shall be dealt with in such manner as our Board shall in its absolute discretion deem fit or expedient and in the best interest of our Company.

The Rights Issue of RCPS is renounceable in full or in part, provided that any renunciation is done on or before the last day for the sale and transfer of the Provisional RCPS. Accordingly, you can subscribe for and/or renounce your entitlements to the RCPS in full or in part.

Excess RCPS shall be made available to Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who have applied for the Excess RCPS.

It is the intention of our Board to allocate the Excess RCPS, if any, in a fair and equitable manner and in such manner as set out in Section 10.5 of this Abridged Prospectus.

As the RCPS are equity securities and not private debt securities, the terms of the RCPS do not require guarantees, security or rating.

As you are an Entitled Shareholder and the shares are prescribed securities, your CDS Account will be duly credited with the number of Provisional RCPS which you are entitled to subscribe for under the terms of the Rights Issue of RCPS. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the RCPS provisionally allotted to you, as well as to apply for the Excess RCPS if you choose to do so.

The official listing of and quotation for the RCPS will commence after, amongst others, receipt of confirmation from Bursa Depository that all CDS Accounts of the successful Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Any dealings in the RCPS will be subject to, *inter alia*, the provisions of the SICDA, the Rules of Bursa Depository and any other relevant legislation. Accordingly, upon subscription, the RCPS will be credited directly into the respective CDS Accounts of the successful applicants. No physical RCPS certificate will be issued but notices of allotment will be despatched to the successful applicants.

If you wish to accept the Provisional RCPS (in full or in part) as specified in the NPA and/or apply for the Excess RCPS, you may do so by completing the RSF.

### 2.2 Basis and justification for determining the Issue Price and Conversion Price

The Issue Price of RM1.00 each for the RCPS was fixed after taking into account, amongst others, the funding requirements of our Company to raise aggregate proceeds of up to RM457.9 million from the Rights Issue of RCPS, represented by up to 457.9 million RCPS to be issued, as well as taking into account the RM1.00 par value of the New Shares. Depending on the final subscription level of the Rights Issue of RCPS, the actual number of RCPS to be issued may reduce accordingly but only to the Minimum Subscription Level. Further details of the Minimum Subscription Level of the Rights Issue of RCPS are set out in Section 3.1 of this Abridged Prospectus.

The RCPS are convertible into New Shares at the option of the RCPS Holders at the Conversion Price, being the 5-day volume-weighted average market price of Goldis Shares up to the date immediately preceding 23 December 2014, being the day of the announcement of the Entitlement Basis. The Conversion Price shall be subject to adjustments under certain circumstances in accordance with the provisions of the Articles of Association of our Company.

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## 2.3 Principal terms of the RCPS

| Terms | | Details |
|---|---|---|
| Issuer | : | Goldis. |
| Issue size | : | Up to 457.9 million in the form of the RCPS. |
| Issue Price | : | RM1.00 per RCPS. |
| Par value | : | RM0.01 per RCPS. |
| Form and denomination | : | The RCPS will be issued in registered form and in denominations or multiples of RM0.01 each. |
| Board lot | : | For the purpose of trading on Bursa Securities, a board lot of RCPS will be 100 RCPS. |
| Tenure | : | Five (5) years commencing from and including the Issue Date. |
| Issue Date | : | The date of issuance of the RCPS. |
| Maturity Date | : | The date occurring on the fifth ($5^{th}$) anniversary of the Issue Date. |
| Dividend | : | The RCPS shall carry the right to receive cumulative preferential dividends at the following rates calculated based on the Issue Price: |

| Period | Dividend rate per annum |
|---|---|
| From and including the Issue Date until but excluding the third ($3^{rd}$) anniversary of the Issue Date | 4.0% |
| From and including the third ($3^{rd}$) anniversary of the Issue Date until but excluding the fourth ($4^{th}$) anniversary of the Issue Date | 4.5% |
| From and including the fourth ($4^{th}$) anniversary of the Issue Date until but excluding the Maturity Date | 5.0% |

| | | |
|---|---|---|
| Dividend payment frequency | : | Semi-annual basis, payable in arrears, subject to availability of distributable profits. |
| Conversion Price | : | RM2.28, being the conversion price of the RCPS for every one (1) New Share. |
| Conversion Rights | : | The RCPS shall be convertible, at the option of the holder, at any time during the Conversion Period, into such number of fully-paid Goldis Shares as is determined by dividing the Issue Price by the Conversion Price in effect at the time of conversion. |
| Conversion Period | : | Subject to the clause on Redemption in this Section 2.3, the period commencing from the date of listing of the RCPS up to and including the Maturity Date. |

| Terms | | Details |
|---|---|---|
| Conversion Mode | : | The conversion of the RCPS will not require any cash payment from the RCPS Holders. The Conversion Price shall be satisfied by the RCPS Holders surrendering the requisite number of RCPS for cancellation by the Issuer.<br><br>Any fraction of New Shares resulting from such conversion shall be disregarded and the Issuer shall not be required to pay the value of such fraction to the relevant RCPS Holders nor issue any certificate for such fraction.<br><br>The conversion mode is not detrimental to the RCPS Holders as the issuance of New Shares cannot be made in fractions and, if payment were to be made in lieu of issuance of any fraction of such New Shares, such payment would be insignificant. |
| Redemption | : | All outstanding RCPS, unless previously converted shall be redeemable at the option of our Company, in full or in part, at any time from and including the third ($3^{rd}$) anniversary of the Issue Date up to the day immediately preceding the Maturity Date, but always subject to applicable laws. The Issuer shall give not less than thirty (30) days' notice to the RCPS Holders prior to the redemption date. The notice shall state the book closure date to be used to determine the identities of the RCPS Holders entitled to receive the redemption payment. During such notice period but not later than nine (9) Market Days prior to the redemption date, the RCPS Holders shall be entitled to exercise their Conversion Rights. Redemption shall be in cash and in one lump sum at a redemption price calculated as follows:<br><br>(a) the dividends declared up to the redemption date less any dividends paid; and<br><br>(b) after payment of any dividend payable under subparagraph (a) above, and prior and in preference to any payment or distribution (or any setting apart of any payment or distribution) of any available funds and assets on any Goldis Shares or junior securities (i.e. any other class of shares or other securities which by its terms ranks below the RCPS, e.g. specific classes of ordinary or preference shares which rank below the RCPS), an amount per share equal to the Issue Price.<br><br>As at the LPD, Goldis does not have in issue any junior securities.<br><br>Any RCPS not redeemed or converted on the Maturity Date shall be automatically converted into New Shares. |
| Adjustment to Conversion Price | : | The Issuer shall make the necessary adjustment to the Conversion Price in the event of any alteration to its share capital occurring prior to the expiry of the Conversion Period, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of our Company's Articles of Association.<br><br>The Conversion Price shall also be similarly adjusted in the event of any alteration to the Issuer's share capital on or before the Issue Date.<br><br>Save for the above, the Conversion Price shall not be adjusted during the Tenure.<br><br>The adjustment provisions to the Conversion Price are available as a document for inspection. |

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| Terms | | Details |
|---|---|---|
| Voting rights | : | A RCPS shall not carry any right to vote at any general meeting of our Company except for the right to vote in person or by proxy or by attorney at such meeting as a separate class in each of the following circumstances:<br><br>(a) when the dividend or part of the dividend on the RCPS is in arrears for more than six (6) months;<br>(b) on a proposal to reduce our Company's share capital;<br>(c) on a proposal for the disposal of the whole of our Company's property, business and undertaking;<br>(d) on a proposal that affects rights attached to the RCPS;<br>(e) on a proposal to wind up our Company; and<br>(f) during the winding-up of our Company. |
| Right to receive notices, reports and attend meetings | : | RCPS Holders shall have the same rights as holders of Goldis Shares as regards the receipt of notices, reports and audited accounts, and attendance at general meetings. |
| Ranking of RCPS | : | The RCPS shall rank *pari passu* amongst themselves, and will rank ahead in regards to payment of dividends in all classes of shares of Goldis. |
| Ranking and rights of New Shares to be issued arising from the conversion of the RCPS | : | The New Shares to be issued upon conversion of the RCPS shall rank *pari passu* in all respects with the then existing Goldis Shares, except that they shall not be entitled to participate in any dividends, rights, allotments and/or any other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment of the New Shares. |
| Changes in capital | : | Goldis may not create and issue further preference shares ranking in all respects *pari passu* with, or in priority to the RCPS save with the requisite approval of the RCPS Holders. Subject to such approval, the issue of further preference shares ranking in priority to or in *pari passu* with the RCPS will be deemed to be a variation to the special rights attaching to the RCPS. |
| Priority on winding-up or liquidation | : | The RCPS shall rank in priority to the Goldis Shares in any distribution of assets in the event of liquidation, dissolution or winding-up of Goldis. Further details are set out in the Memorandum and Articles of Association of our Company. |
| Listing status and types of listing, where applicable | : | Bursa Securities has approved the RCPS to be admitted to the Official List of Bursa Securities. Accordingly, the RCPS and the New Shares to be issued pursuant to the conversion of the RCPS will be listed and quoted on the Main Market of Bursa Securities subject to the conditions imposed by Bursa Securities as set out in Section 1 of this Abridged Prospectus.<br><br>The RCPS will not be listed on any other stock exchange. |
| Selling restriction, including tradability | : | The RCPS will be tradable on Bursa Securities upon their listing and quotation on the Main Market of Bursa Securities.<br><br>For the avoidance of doubt, there will be no selling restriction imposed on the RCPS. |
| Governing law | : | Laws of Malaysia. |

The terms of the RCPS have been incorporated into the Articles of Association of our Company via the Amendments.

## 3. SHAREHOLDERS' UNDERTAKING AND UNDERWRITING ARRANGEMENT

### 3.1 Undertaking on a minimum subscription basis

The Rights Issue of RCPS is intended to be undertaken on a minimum subscription basis, based on the Minimum Subscription Level. The Minimum Subscription Level has been determined by our Board after taking into consideration, amongst others, the Group's gearing position following the Offer and the convertibility of the RCPS into Goldis Shares, as well as the minimum level of funds that our Company wishes to raise from the Rights Issue of RCPS. Further information on the Offer is set out in Section 4 of this Abridged Prospectus.

The following shareholders (collectively, the "**Undertaking Shareholders**") had via a letter dated 7 November 2014 provided an undertaking ("**Entitlement Undertaking**") to jointly and severally irrevocably and unconditionally subscribe for and/or procure the subscription of their entitlements to the RCPS in full on a collective basis.

The Undertaking Shareholders have, via the same letter, jointly and severally irrevocably and unconditionally undertaken ("**Additional Undertaking**") to subscribe for and/or procure the subscription of such additional number of RCPS (if any) which have not been validly applied for as at the RCPS Closing Date such that the aggregate number of RCPS (a) subject to the Entitlement Undertaking; (b) subject to the Additional Undertaking; and (c) validly applied for as at the RCPS Closing Date (other than the RCPS subject to the Entitlement Undertaking and the Additional Undertaking), is at least RM400.0 million. The RCPS referred to in paragraph (c) is a reference to RCPS which have been validly applied for by Entitled Shareholders (and/or their renouncee(s)) other than the Undertaking Shareholders.

An illustration of the Entitlement Undertaking and the Additional Undertaking based on the Undertaking Shareholders' shareholding in our Company as at the LPD is set out below.

| | **Shareholdings as at the LPD** | | **Entitlements under the Rights Issue of RCPS** | |
|---|---|---|---|---|
| **Undertaking Shareholders** | **No. of Goldis Shares** | **%[1]** | **No. of RCPS ('000)[5]** | **%[6]** |
| Wah Seong (Malaya) Trading Co Sdn Bhd | 89,710,671 | 14.76 | 67,283,003 | 14.76 |
| Tan Chin Nam Sdn Bhd | 118,377,646 | 19.48 | 88,783,234 | 19.48 |
| Tan Kim Yeow Sdn Bhd | 63,945,230 | 10.52 | 47,958,922 | 10.52 |
| Wah Seong Enterprises Sdn Bhd | 17,903,023 | 2.95 | 13,427,267 | 2.95 |
| Dato' Tan Chin Nam | 25,133,095 | 4.14 | 18,849,821 | 4.14 |
| Tentang Emas Sdn Bhd | 4,867,541 | 0.80 | 3,650,655 | 0.80 |
| Scanstell Sdn Bhd | 6,122,718 | 1.01 | 4,592,038 | 1.01 |
| Dato' Seri Robert Tan Chung Meng | 1,483,509 | 0.24 | 1,112,631 | 0.24 |
| Tan Boon Lee | 4,157,380 | 0.68 | 3,118,035 | 0.68 |
| Tan Lei Cheng | 8,899,651 | 1.46 | 6,674,738 | 1.46 |
| Dasar Mutiara (M) Sdn Bhd | 3,842,285 | 0.63 | 2,881,713 | 0.63 |
| Datin Choy Wor Lin | 2,606,906 | 0.43 | 1,955,179 | 0.43 |

| Undertaking Shareholders | Shareholdings as at the LPD No. of Goldis Shares | %[(1)] | Entitlements under the Rights Issue of RCPS No. of RCPS ('000)[(5)] | %[(6)] |
|---|---|---|---|---|
| Smooth Operation Sdn Bhd | 1,929,511 | 0.32 | 1,447,133 | 0.32 |
| Pauline Tan Suat Ming | 803,297 | 0.13 | 602,472 | 0.13 |
| Tan Boon Seng | 1,400,824 | 0.23 | 1,050,618 | 0.23 |
| **Total Shareholding** | **351,183,287** | **57.80[(2)]** | **263,387,459** | **57.80[(2)]** |
| **Entitlement Undertaking (on a collective basis)[(3)]** | 263,387,465 RCPS | 57.80% of the total RCPS | | |
| **Maximum Additional Undertaking (on a collective basis)[(4)]** | 136,612,535 RCPS | 29.98% of the total RCPS | | |
| **Total Undertaking (on a collective basis)** | **400,000,000 RCPS** | **87.78% of the total RCPS** | | |

*Notes:*

(1) *Based on the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

(2) *The discrepancy between the total percentage shareholdings and the summation of the individual percentage shareholdings of the Undertaking Shareholders is due to rounding. The total percentage of the shareholding is derived from the total percentage shareholding of 351,183,287 Goldis Shares divided by 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

(3) *Illustrated based on their aggregate entitlements as per the Entitlement Basis based on their total shareholdings taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

(4) *On an illustrative basis, representing the Additional Undertaking taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

(5) *Illustrated based on their individual entitlements as per the Entitlement Basis for each of their shareholdings.*

(6) *Based on the issuance of 455,727,027 new RCPS taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

The Undertaking Shareholders had also confirmed, and CIMB has verified, that they have adequate and sufficient financial resources available for the full subscription of the RCPS as a result of the Undertaking and the Additional Undertaking and to make payment in full upon such subscription.

In addition, the Undertaking Shareholders have also undertaken to observe and comply at all times with the provisions of the CMSA and the Malaysian Code on Take-Overs and Mergers, 2010 (as amended from time to time) in relation to the consequences of the Entitlement Undertaking and Additional Undertaking.

As at the LPD, a total of 25.80% of Goldis Shares are in the hands of public shareholders. Taking into account the Minimum Subscription Scenario (as defined in Section 8 of this Abridged Prospectus) and assuming the full conversion of the RCPS subscribed by the Undertaking Shareholders, the percentage of Goldis Shares in the hands of public shareholders would reduce to 20.02%.

However, it should be noted that the Rights Issue of RCPS will not have any immediate effect on the public shareholding of our Company. Any change is dependent on the conversion of RCPS in the future. In the event that the public shareholding spread required under the Listing Requirements is not met, our Company will use our best endeavors to explore all possible options to rectify the public shareholding.

### 3.2 Underwriting arrangement

As the Rights Issue of RCPS will be undertaken on a Minimum Subscription Level basis taking into account the Entitlement Undertaking and Additional Undertaking, there is no underwriting arrangement for the remaining portion of up to 57.9 million RCPS representing up to 12.64% of the total RCPS available for subscription.

## 4. UTILISATION OF PROCEEDS

On 18 July 2014, CIMB, on behalf of Goldis, announced that our Company proposes to undertake a conditional take-over offer to acquire all the remaining IGB Corp Shares not already held by us at a cash offer price of RM2.88 per Offer Share. The Offer provided an opportunity for our Company to obtain a significant block of IGB Corp Shares by increasing our shareholding interests in IGB Corp to 73.32% based on the final acceptance level of 42.22% when the Offer closed on 6 November 2014.

The Offer was conditional upon the following:

(i) Goldis having received, before the close of the Offer, valid acceptances by the holders of the Offer Shares (provided that such acceptances are not, where permitted, subsequently withdrawn) which would result in Goldis holding, in aggregate with such IGB Corp Shares that are already acquired, held or entitled to be acquired or held by the Goldis, if any, more than 50% of the voting shares of IGB Corp; and

(ii) the approval of the shareholders of Goldis for the Offer at an EGM to be convened.

Upon the closing of the Offer, our Company had obtained borrowings amounting to approximately RM1.6 billion to fund the Offer.

The entire proceeds from the Rights Issue of RCPS of up to RM457.9 million (or RM400.0 million under the Minimum Subscription Level), are proposed to be utilised to partially refinance the above mentioned borrowings. No proceeds will be raised upon conversion of the RCPS into New Shares as the conversion will be satisfied by the RCPS Holders surrendering such number of RCPS based on the Conversion Price to receive the New Shares.

The partial refinancing of borrowings in connection with the Offer is intended to allow our Company to benefit from interest savings and lower financing costs for the first three (3) years at 4.00% per annum (based on the fixed dividend rate for the RCPS), as compared to the average rate of borrowings of 4.55% (based on the overnight policy rate as at LPD) in connection with the Offer. For illustrative purposes, the aforesaid refinancing is expected to provide immediate annual interest savings of approximately RM2.5 million based on the cost of funds as at the LPD.

The estimated expenses relating to the Rights Issue of RCPS, the Increase in Authorised Share Capital and the Amendments amount to approximately RM1.3 million, comprising, amongst others, professional fees, fees payable to the relevant authorities, printing costs of the Circular and the Documents to be despatched to our shareholders and other miscellaneous expenses. The estimated expenses are proposed to be funded from our Group's internally generated funds and not from the proceeds of the Rights Issue of RCPS.

The estimated timeframe for full utilisation of proceeds from the Rights Issue of RCPS is within three (3) months from receipt of these proceeds.

## 5. RATIONALE FOR THE RIGHTS ISSUE OF RCPS

The Rights Issue of RCPS is an avenue of refinancing to reduce gearing, in connection with borrowings undertaken for the Offer.

After due consideration of the various funding options available to our Company as well as the capital structure of our Group, our Board is of the opinion that the Rights Issue of RCPS is the most optimal means of raising funds for our Company as the Rights Issue of RCPS will, amongst others:

(i) enable our Company to have interest savings and lower financing cost for the first three (3) years at 4.00% per annum, as compared to the cost of borrowings in connection with the Offer. As stated in Section 2.3of this Abridged Prospectus, the dividend rate per annum for the RCPS is fixed at 4.00% for the first three (3) years from the Issue Date, and is subject to a step-up to 4.50% and 5.00% in the fourth ($4^{th}$) and fifth ($5^{th}$) years from the Issue Date respectively, and redeemable at the option of our Company from the third ($3^{rd}$) anniversary of the Issue Date onwards. The dividend rate which is fixed upfront will also provide certainty to our Company as to the dividend commitment as compared to a variable rate which is subject to fluctuation;

(ii) minimises the immediate dilution effect on the basic EPS of Goldis, which would otherwise have an immediate upfront impact if the fund-raising exercise was an issuance of ordinary shares, as the RCPS are expected to be converted over a period of time, i.e. during the Conversion Period;

(iii) provide our shareholders with an opportunity to further increase their equity participation in our Company via the option to convert the RCPS into New Shares. Shareholders may also benefit from any upside from potential future capital appreciation of the Goldis Shares. Shareholders who subscribe for the RCPS may also benefit from any upside from future capital appreciation of theRCPS as it is also proposed to be listed and quoted on the Main Market of Bursa Securities; and

(iv) any conversion of theRCPS will further strengthen our Company's capital base and hence improve our Company's gearing level as well as potentially increase the liquidity of Goldis Shares.

## 6. RISK FACTORS

Prior to making an investment decision, you should carefully consider, in addition to other information contained in this Abridged Prospectus, the following risk factors and investment considerations. You should note that the following list is not an exhaustive list of all the risks that we face in Malaysia and all other countries in which our Group operates, or risks that may develop in the future. There are other risks, whether known or unknown, which may have a material adverse effect on us or on the Goldis Shares or on other securities issued by us.

### 6.1 Business and operational risks

#### 6.1.1 Property investment sector risk

Investments in real estate are subject to various risks, including adverse changes in economic conditions, adverse local market conditions, financial conditions of tenants, purchasers and sellers of properties, changes in the availability of debt financing, changes in interest rates or foreign exchange rates, changes in the relevant laws and regulations, changes in the popularity or appeal of property types and locations, acts of God and other factors. Many of these factors may cause fluctuation in occupancy rates, collection of rental income and cause a decrease in the value of real estate and income derived from real estate. Our Group's financial condition and results of operations may be adversely affected if the capital value of the properties invested by our Group diminishes significantly in the event of a decrease in real estate market prices.

Further, real estate investments are relatively illiquid given the sizeable values involved. Such liquidity may affect our Group's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, financial, real estate market or other conditions. Our Group may not be able to sell its assets on short notice or may be forced to give a substantial reduction in the price if a quick sale is required. Our Group may also face difficulties in obtaining timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on our Group's financial condition and results of operations.

### 6.1.2 Hotel sector risk

Our hotel business is largely dependent on tourist arrivals and domestic travellers, with additional contributions sourced from corporate clients. We have developed a diverse clientele portfolio by fostering good relationships with various travel agencies, including corporate clients, to mitigate the risk of dependence on any single or group of customers. Our Group's hotel operations also have other sources of income other than hotel room charges, such as food and beverage outlets and events hosting, to further diversify our Group's sources of income within the hotel sector. However, there is no assurance that any future change in respect of our existing guest profile, our partnerships with travel agencies or the viability of our alternative sources of income will not materially affect our Group's operating results and financial conditions.

The hotel business is subjected to the cyclical nature of the tourism industry. Our Group's hotel business will continue to be susceptible to changes or downturns in tourism activity, which may occur periodically due to a myriad of economic, environmental, social and political factors beyond the control of our Group. There can be no assurance that the cyclical nature of the tourism industry will not have any material adverse effect on our Group's financial position and results of operations.

### 6.1.3 Property development sector risk

The turnover and profitability of our Group will be susceptible to fluctuation in property prices prevailing in the industry. Property prices are determined by the supply and demand for property in the surrounding areas, land price escalation, demands for different types of residential and commercial properties, labour and material supply shortages and fluctuation in the prices of building materials and costs of labour. Furthermore, the property development sector is cyclical and is tied to the general health of the economy. Consumer confidence and demand for property are influenced by general economic cycles. Accordingly, there is no assurance that adverse movement in the prices of property and the cyclical nature of the property development sector will not have an adverse effect on the performance of our Group.

Government policies such as the real property gains tax ("**RPGT**"), regulations in bank lending policies, incentives for selected groups of buyers and changes in the interest rates will have an impact on the availability of financing and may influence property demand to a certain extent. If higher RPGT materialises, speculative activity is expected to be reduced in the near term but is unlikely to significantly deter real property demand as this is well supported by owner occupiers and a young demographic profile.

Our Group may be affected by the goods and services tax ("**GST**") which will be implemented with effect from 1 April 2015. The implementation of GST may impact the selling prices of developed properties and affect the take-up rate of our Group's properties. Nevertheless, the GST is a broad-based tax that affects all other property developers.

### 6.1.4 Competition risk

With respect to the retail property sector, other retail developers operating within the same catchment areas as our Group may develop new retail properties. Our Group will therefore face competition from these developers. Shopping malls compete to attract tenants as well as consumers. Other retail centres also compete with our Group's retail tenants for customers, thus affecting the cash flows of such tenants. Our Group's financial condition may be adversely affected if competing retail developments are substantially upgraded or are more successful in attracting tenants and shoppers. Our Group's retail tenants face continuous changing customer preferences and increasing competition from alternative forms of retailing, such as internet shopping and telemarketing. If these tenants experience competition, this may have an impact on their ability to make rental payments to our Group, thus adversely affecting our Group's cash flow.

The hotel industry is highly competitive, and ongoing construction of new hotels or renovations of competing hotels may reduce the competitiveness of older or existing properties. The success of a hotel depends on its ability to compete in areas such as room rates, quality of accommodation, brand recognition, service level, convenience of location and the quality and scope of lobby areas and other amenities, including food and beverage facilities. Competition is most intense in the immediate vicinity of a hotel's location where other hotels may be able to offer similar prices, standard of service and facilities. There can be no assurance that new or existing competitors will not significantly lower their rates or offer greater convenience, services or amenities or develop, significantly expand or upgrade, facilities in those locations where our Group operates or in close proximity to such locations. Occupancy rates and average daily rates ("**ADR**") are dependent on supply and demand forces in the hotel markets where our Group operate. If there were to be an increase in the supply of hotel rooms that exceeds the level of demand by consumers, it is likely that the hotels operated by our Group will experience lower occupancy rates or lower ADR or both, which would have an adverse effect on the operating performance of our Group's hotels. An inability to compete effectively could adversely affect the performance of our Group's hotels and the financial performance of our Group. Although we constantly seek business development opportunities, enhance our services and upgrade our hotel facilities to maintain our competitive edge, no assurance can be made that we can remain competitive.

Although competition from new entrants is somewhat limited due to high barriers of entry of the property development sector, our Group faces competition from other property developers in terms of selling price and types of offerings, locations, infrastructure and amenities, quality of development and reliability and reputation of the developers. There is also intense competition amongst property developers to identify and purchase strategically located and reasonably priced landbank. Intense competition may result in high landbank values, which may subsequently affect our development margins and ultimately our Group's overall financial performance. Failure by our Group to secure strategically located landbank for development, price our products competitively and offer properties which meet the expectations of our prospective customers may have a bearing on our ability to stay competitive in this industry. Nonetheless, our Group will take pro-active measures to mitigate competition risks by constantly reviewing its marketing strategies and monitoring market conditions but no assurance can be made that we can remain competitive.

### 6.1.5 Economic, political and regulatory considerations

Like any other business operating in an open economy, we are subject to market forces. We are subject to, *inter alia*, risks inherent in the property investment, hotel operations and property development sectors. These include, but are not limited to shortage and rising costs of building materials, volatility of and decline in oil prices, labour shortages, increases in the cost of labour, the non-performance or unsatisfactory performance of sub-contractors, inclement weather, natural disasters, accidents, changes in general economic and business conditions, entry of new competitors and the industry experiencing a downturn.

Our business operations are also subject to the jurisdiction of various governmental agencies or ministries. Any adverse development in the political, economic and regulatory conditions in Malaysia as well as in countries where our Group operates in could materially and adversely affect the financial and operational conditions and the overall profitability of our Group. Political and economic uncertainties include but are not limited to changes in general economic and business conditions, government legislations and policies affecting our industry, inflation, political or social development, risks of war, expropriation, nationalisation, renegotiation or nullification of existing contracts, methods of taxation and currency exchange controls.

Our Group seeks to mitigate these business risks through, amongst others, close monitoring of the progress of our projects and businesses and endeavouring to promptly rectify any setbacks in order to ensure that performance is not materially and adversely affected. Although our Group seeks to limit these risks through, *inter alia*, a careful identification of the type of projects, precautionary measures to respond and adapt to changes in the political, economic and regulatory environments, and effective human resource management, no assurance can be given that any change to these factors will not have a material adverse effect on our Group's operations and business.

### 6.1.6 Costs and expenses risks

Our Group's ability to maintain a certain level of profitability in respect of our businesses in the property investment, hotel operations and property development sectors could be affected if our Group's operating and other expenses increase without a corresponding increase in revenue or reimbursement of operating and other costs. In addition to other factors mentioned herein, factors which could increase operating and other costs of our Group's business include, but are not limited to, the following:

(i) increase in utility costs, property maintenance costs (such as insurance premiums, repair and maintenance costs, third party sub-contracted service costs, etc.), quit rent and assessment rates (property and related taxes) and other statutory charges;

(ii) increase in construction costs and prices of raw materials;

(iii) increase in payroll expenses;

(iv) changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies; and

(v) increase in costs of financing for operating or capital requirement.

Additionally, unscheduled capital expenditures and other expenses arising from repairs and maintenance may involve significant and potentially unpredictable expenditures. Both the amount and timing of such expenditures will have an impact on the cash flow of our Group. As these changes are beyond the control of our Group, we will continuously take reasonable steps to mitigate the above risks and to respond and adapt to the ever-changing environment to alleviate any difficulties arising from changes in the operation costs should they rise in the future. Notwithstanding the above, there can be no assurance that these changes will not materially affect our Group's income and cash flow.

### 6.1.7 Dependence on key management and personnel

The performance and success of our Group depend to a significant extent on the skills, abilities, experience and competencies of our directors and key management personnel. There can be no assurance that the loss of any of these persons without suitable and timely replacement would not affect the operations and financial performance of our business, financial conditions, results of operations and prospects.

In order to mitigate such risks, our Group has implemented and will continue to implement human resource management and development policies which include competitive remuneration packages as well as training and personnel development programmes to attract and retain our directors and key management personnel as well as qualified and competent staff.

### 6.1.8 Financing and interest rate risk

Our Group may be required to seek external financing to fund our working capital needs to support the growth of our business. Our ability to obtain such external funding and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, interest rates and credit availability from financial institutions.

Further, any increase in interest rates could lead to higher borrowing costs on our bank borrowings and in turn, affect the profitability of our Group. The management of our Group has taken and will continue to take measures to manage the cash flow position and funding requirements of our Group to mitigate our Group's exposure to adverse movements in interest rates but such measures may not fully eliminate interest rate and financing risks faced by our Group. Our Group is also bound by covenants in loan agreements with financial institutions which may restrict our operating and financial flexibilities. Any act or omission by us resulting in breaches of these covenants may cause the lenders to exercise their rights to terminate the facilities. If this occurs, our future operational and financial performance may be adversely affected. We will therefore continuously monitor our compliance with such covenants and seek measures to reduce our gearing level. One such measure is the partial repayment of borrowings from the proceeds of the Rights Issue of RCPS.

### 6.1.9 Insurance risk

The assets owned by our Group face the risk of suffering physical damage caused by fire, natural disasters or other acts of God. Certain types of risks may be uninsurable or the cost of insurance may be prohibitive when compared to the risk.

Our Group has taken and will take the necessary measures to insure our assets in accordance with generally accepted market practice. However, there can be no assurance that such coverage would be adequate for the replacement cost of the assets or any consequential losses in the event of any insurance claims in the future.

In addition, our Group's insurance policies and terms of coverage are subject to periodic renewals and renegotiations and there is no assurance as to the nature and extent of coverage that will be available on commercially reasonable terms in the future. Any material increase in the rates of insurance policies or decrease in available coverage in the future will adversely affect our Group's business, results of operations and financial condition.

Our Group is also exposed to potential third party claims or litigation by tenants, shoppers, contractors or other persons relating to personal injury or other damages resulting from contact with or use of our Group's properties. Such third party claims may be made against our Group as, amongst others, the owner, manager or developer of such properties. There can be no assurance that the insurance coverage obtained by our Group will be adequate to safeguard our Group from the impact of such potential third party claims or litigation.

### 6.1.10 Foreign exchange risk

Our Group has foreign currency borrowings resulting in exposures to foreign exchange risk. As such, any fluctuation in foreign exchange rates may have adverse implications on our Group's profitability. In addition, as our Group owns assets denominated in various foreign currencies, any significant depreciation in RM against such foreign currencies may also have an adverse impact on the value of such assets when translated into RM. Our management will continue to monitor our foreign exchange exposure by keeping abreast with current monetary, political and economic conditions in those relevant jurisdictions.

### 6.1.11 Compulsory acquisition of land

The Malaysian Government has the power to acquire compulsorily any land in Malaysia pursuant to provisions of applicable legislations, including the Land Acquisition Act 1960, for certain purposes. In the event of any compulsory acquisition of property in Malaysia, the amount of compensation to be awarded is based on the fair market value of a property and is assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. If any of the properties in which our Group has invested is acquired compulsorily by the Malaysian Government, the level of compensation payable to our Group may be less than the price which our Group has paid for such property or less than the market price of the property upon the sale of the property in the open market.

## 6.2 Risks relating to the Rights Issue of RCPS

### 6.2.1 No prior market for the RCPS

The RCPS comprise a new issuance of securities for which there is currently no public market. No assurance can be given that an active market for the RCPS will develop upon or subsequent to the listing of and quotation for the RCPS on the Main Market of Bursa Securities or, if developed, that such a market will be sustainable or adequately liquid during the tenure of the RCPS.

The market price of the RCPS, like other securities traded on Bursa Securities, is subject to fluctuation and will be influenced by, amongst others, prevailing market sentiments, volatility of the stock market, the market price of the underlying Goldis Shares, interest rate movements, trades of substantial amounts of the RCPS on Bursa Securities in the future, corporate developments and future profitability of our Group, as well as the future prospects of the industry in which our Group operates.

There is also no assurance that the market price of the RCPS will trade at or above the Issue Price subsequent to their listing.

### 6.2.2 Delay in or abortion of the Rights Issue of RCPS

There is a risk that the Rights Issue of RCPS may be delayed or aborted on the occurrence of any one or more of the following events:

(i) *force majeure* events or material adverse change of events/circumstances which are beyond the control of our Company arising prior or during the implementation of the Rights Issue of RCPS; and/or

(ii) the Undertaking Shareholders not fulfilling their obligations under the Entitlement Undertaking and/or Additional Undertaking as set out in Section 3.1 of this Abridged Prospectus for whatever reason; and/or

(iii) the RCPS not being listed or quoted on Bursa Securities as a result of non-compliance with the requirements or conditions determined or imposed by Bursa Securities, including not having sufficient spread to maintain an orderly market.

Notwithstanding these risks, our Company will exercise our best endeavours to ensure that the Rights Issue of RCPS is successfully implemented. However, there can be no assurance that the abovementioned events will not cause a delay in or abortion of the Rights Issue of RCPS.

In event that the Rights Issue of RCPS is aborted, our Company will repay without interest all monies received from the applicants in accordance with section 243 of the CMSA.

### 6.3 Forward-looking statements

This Abridged Prospectus includes forward-looking statements. All statements other than statements of historical facts included in this Abridged Prospectus including, amongst others, those regarding our financial position, business strategies, plans and objectives of our management for our future operations, are forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". However, you should note that these words are not the exclusive means of identifying forward-looking statements. These forward-looking statements involve risks, uncertainties and other factors that may cause our Group's actual results, performance or achievements to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include, *inter alia*, general economic and business conditions, competition, the impact of new laws and regulations affecting us and the industries we operate in, changes in interest rates and changes in foreign exchange rates.

In light of these uncertainties, the inclusion of such forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by us or our Principal Adviser that such plans and objectives will be achieved.

## 7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

### 7.1 Overview of the Malaysian economy

The Malaysian economy expanded further by 5.6% during the third quarter of ("**Q3**") 2014 (second quarter of ("**Q2**") 2014: 6.5%) supported by domestic activities amid a moderation in the external sector. On the supply side, the services sector remained as the key driver of growth, sustaining its pace at 6.1% (Q2 2014: 6.2%) spurred by the wholesale and retail, communication and business services subsectors.

The Malaysian economy is expected to remain on a steady growth trajectory in the fourth quarter of ("**Q4**") 2014. Private sector spending will remain the key driver of growth, with private investment continuing to expand steadily. Federal Government development expenditure is expected to pick up amid a rebound in non-financial public enterprises' investment projects in utilities, oil and gas as well as infrastructure. On the supply side, all key sectors are envisaged to register positive growth. The services and manufacturing sectors will continue to lead growth, benefiting from resilient domestic private sector spending despite a moderating external sector.

*(Source: Quarterly Update on the Malaysian Economy – Third Quarter 2014, Ministry of Finance, Malaysia)*

## 7.2 Overview of the property investment industry

Two office buildings were completed during the Q2 2014. The first one is Menara Bank Rakyat, located on Jalan Travers, KL Sentral, which consists of 2 towers of 32 and 38 storeys and offers approximately 1.3 million square feet of net lettable area. Bank Rakyat will occupy the entire 38-storey tower and 3 storeys from the second tower, while the rest of the office space is available for rent to external firms. The second completion of the quarter, TTDI Adina, is a stratified office building located in section 13, Shah Alam, with around 140,000 square feet of net lettable area. With these 2 completions, the total supply of office space in Greater KL[1] stood at 95.5 million square feet as at end of the Q2 2014, equal to a 1.5% supply increase on a quarter-on-quarter basis and 4.8% on a year-on-year basis.

The latest projections indicate 2.5 million square feet of office space will be completed in Greater KL by the end of 2014, with approximately half of that new supply located in Selangor. Current projections call for 6.8 million square feet of new office space in 2015 in Greater KL, with 80% of it located in Kuala Lumpur, while 5.9 million square feet is expected to be added to the existing stock in 2016. Among the significant office buildings to be completed over the next few quarters are Menara Hap Seng 2, IB Tower and Menara Bangkok Bank in Kuala Lumpur's Golden Triangle, as well as the stratified office building Q Sentral in KL Sentral.

Rents in Kuala Lumpur continue the pattern of gradual movement seen over the past few years. Due to rental increases in a couple of Grade A buildings, passing rents increased by just under 2% to RM7.76 per square foot per month as at Q2 2014, compared to average rents of RM7.64 per square foot per month in the first quarter of ("**Q1**") 2014.

The retail spaces saw new supply during the first six months of the year which stood at 1.5 million square feet from four malls. An additional 3.4 million square feet is due to be completed by end-2014, combining for the highest level of new completions since 2007, although there will likely be some completion delays.

The average occupancy rate of retail market in Greater KL now stands at 90.7%, down slightly from 91.4% in the Q3 2013. Although the near-term completions will pose a challenge, vacancy rates are not expected to significantly increase as most of the new malls are pre-marketed and committed at encouraging rate. Prime rents remained stable during the quarter in review, as most major malls saw significant levels of renewal activity last year; as a result, rents in the leading centres should remain steady for the next 12 - 18 months.

*(Source: Greater Kuala Lumpur MarketView Q2 2014, CB Richard Ellis (Malaysia) Sdn Bhd ("**CBRE Malaysia**"))*

## 7.3 Overview of the hotel operations industry

The hotel market saw a dip in occupancy rates across the board, but this was widely anticipated as the first quarter of the year is traditionally a subdued period. Average occupancy rates saw a decrease from 76.4% in Q4 2013 to 68.5% in Q1 2014. However, this was an increase on a year-over-year basis for the 3- to 5-star hotel segments, as average occupancy rate in Q1 2013 was 67.4%.

Average room rates ("**ARR**") meanwhile saw an increase to RM272 (US$83) per night, up from RM271 per night from the previous quarter. However, ARRs have been generally flat, growing a steady 2.5% year-over-year over the past 7 years.

*(Source: Greater Kuala Lumpur MarketView Q1 2014, CBRE Malaysia)*

## 7.4 Overview of the property development industry

Investment in the residential property segment is expected to remain firm, supported by the construction of mid-range residential properties. This is in line with private developers' and Government measures taken to meet rising demand for affordable housing by low and middle-income earners.

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1 *Greater KL covers Wilayah Persekutuan Kuala Lumpur, Wilayah Persekutuan Putrajaya and another eight suburban municipalities in Selangor i.e. Majlis Bandaraya Petaling Jaya, Majlis Bandaraya Shah Alam, Majlis Perbandaran Klang, Majlis Perbandaran Selayang, Majlis Bandaraya Subang Jaya, Majlis Perbandaran Sepang, Majlis Perbandaran Kajang and Majlis Perbandaran Ampang Jaya.*

In the 2014 Budget, the Government raised the RPGT and the minimum price of properties that can be purchased by foreigners. These measures are aimed at curbing speculation and ensuring that property prices grow in line with fundamentals. The Central Bank has also introduced macroprudential measures in stages since 2010, to prevent excessive household indebtedness and to ensure responsible lending practices. These measures are part of a broader trend of more active use of macroprudential policies to manage risks related to financial imbalances and excessive leverage.

*(Source: Annual Report 2013, Bank Negara Malaysia)*

During the first half of 2014, the KL residential market saw limited new previews and launches. This slowdown in activity can be attributed to a number of reasons, key among them the various cooling measures instituted under Budget 2014, all of which went into effect in early 2014.

Whilst developers have been putting some projects on hold since the beginning of the year due to many potential property buyers currently in a "wait-and-see" situation however, the holding period is expected to be only for the short-term and new launches will resume with the improvement of the market sentiment.

One of the main projects launched during the period was the second phase of Residensi 22 in Mont'Kiara, which has already achieved a take up rate of 87% for Block B while Block A is fully sold (launched in Q3 2013). Projects soft-launched include the Expressionz Professional Suites at Jalan Tun Razak and Hilir Condominium at Jalan Ampang Hilir. Other new launches/previews of high-end condominiums include Inwood Residences of Pantai Sentral Park (Bukit Kerinchi), Anjali (North Kiara), Scenaria (North Kiara), and Vercadicos (Old Klang Road). There were at least six new completions with a total of 1,807 units during Q2 2014, namely Kenny Hills Residence, Glomac Damansara Residential Tower 1, Brunsfield Serviced Residence, The Elements Ampang, Nobleton Crest and Ceylon Gardens. Projects that have been slightly delayed in their completions include 9Madge, Madge Mansions and Seringin Residences.

Secondary transaction prices of high-end condominiums in central locations such as KLCC, Bangsar and Mont'Kiara have been subject to slight growth on a quarter-on-quarter basis. The average transaction price in these three markets edged up by 1.60% to RM839 psf compared to the previous quarter (Q1 2014: +0.97% to RM826 psf). The steady increase in capital values in the secondary market suggests that investors continue to shop for opportunities which may offer better products and more competitive prices compared to similar developments in the primary markets.

*(Source: Greater Kuala Lumpur MarketView Q2 2014, CBRE Malaysia)*

## 7.5 Prospects of our Group

Following the completion of the Offer, our Group is expected to benefit from our increased shareholding interest in the IGB Corp group.

In connection with our Group's property investment activities, all five office towers in Mid Valley City are close to 100% occupied whilst Menara Tan & Tan and Plaza Permata are 85% and 79% occupied, respectively. Our retail assets are represented by IGB REIT, the owner of the Mid Valley Megamall and The Gardens Mall.

Furthermore, our Group's property development activities are expected to continue to be satisfactory with the continuing developments being undertaken. For 2014, about 97% of the available 474 units of service apartments at G Residence have been sold with total sales value of about RM369 million. Our Group's new service apartment development, known as Three28 Tun Razak, which was launched in October 2013 has already achieved sales of over 90% with total sales value of RM152.7 million. Our Group will also soon be launching 41 units of strata bungalows called Park Manor located in Sierramas, Sungai Buloh.

Although the hotel operations industry registered muted ARR growth, our Group expects to generate stable performance within our hotel segment going forward but we envisage challenging times ahead.

Notwithstanding the short term challenges within the property sector such as the recent increase in the supply of new office space, electricity tariffs hikes and increase in assessment in Kuala Lumpur, our Board expects the overall performance of our Group to remain positive.

## 8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE OF RCPS

The proforma effects of the Rights Issue of RCPS are illustrated based on the following assumptions ("**Assumptions**"):

| | | |
|---|---|---|
| **Minimum Subscription Scenario** | : | Assuming the Rights Issue of RCPS is undertaken on the Minimum Subscription Level basis as set out in Section 3.1 of this Abridged Prospectus, pursuant to the Entitlement Undertaking and the Additional Undertaking where it is assumed that apart from the Undertaking Shareholders, no other Entitled Shareholders subscribe for their entitlements under the Rights Issue of RCPS. |
| **Maximum Subscription Scenario** | : | Assuming all the Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue of RCPS. |

### 8.1 Issued and paid-up share capital

The proforma effects on the issued and paid-up share capital of Goldis as at the LPD after the Rights Issue of RCPS are as follows:

<u>**Minimum Subscription Scenario**</u>

| | No. of Goldis Shares '000 | Amount RM '000 | No. of RCPS '000 | Amount RM '000 |
|---|---|---|---|---|
| Issued and paid-up share capital as at the LPD (including treasury shares) | 610,494 | 610,494 | - | - |
| After the Rights Issue of RCPS | - | - | 400,000 | 4,000 |
| Issuance of New Shares pursuant to the conversion of the RCPS$^{(1)}$ | 175,439 | 175,439 | (400,000) | (4,000) |
| **Enlarged issued and paid-up share capital** | **785,933** | **785,933** | - | - |

<u>**Maximum Subscription Scenario**</u>

| | No. of Goldis Shares '000 | Amount RM '000 | No. of RCPS '000 | Amount RM '000 |
|---|---|---|---|---|
| Issued and paid-up share capital as at the LPD (including treasury shares) | 610,494 | 610,494 | - | - |
| After the Rights Issue of RCPS$^{(2)}$ | - | - | 455,727 | 4,557 |
| Issuance of New Shares pursuant to the conversion of the RCPS$^{(1)}$ | 199,880 | 199,880 | (455,727) | (4,557) |
| **Enlarged issued and paid-up share capital** | **810,374** | **810,374** | - | - |

*Notes:*

*(1) No New Shares will be issued in the event the RCPS are fully redeemed by the maturity of the RCPS.*

*(2) Based on the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

## 8.2 NA per share and Gearing

Based on Goldis' latest audited consolidated balance sheet as at 31 December 2013, the proforma effects of the Rights Issue of RCPS on Goldis' consolidated NA per share and gearing are as follows:

### (A) Minimum Subscription Scenario:

| | | Proforma I | Proforma II | Proforma III |
|---|---|---|---|---|
| | Audited as at 31 December 2013 | After completed events[1] | After Proforma I and the Rights Issue of RCPS[2] | After Proforma II and assuming full conversion of the RCPS |
| | RM '000 | RM '000 | RM '000 | RM '000 |
| Share capital | 610,494 | 610,494 | 610,494 | 785,933 |
| Share premium | 67,765 | 32,340 | 32,340 | 255,601 |
| Redeemable convertible preference shares | - | - | 322,345 | - |
| Treasury shares | (41,147) | (5,722) | (5,722) | (5,722) |
| Reserves | 1,092,957 | 1,293,340 | 1,293,340 | 1,293,340 |
| **Shareholders' funds / NA** | **1,730,069** | **1,930,452** | **2,252,797** | **2,329,152** |
| Non-controlling interest | 3,102,460 | 1,252,881 | 1,252,881 | 1,252,881 |
| Total equity | 4,832,529 | 3,183,333 | 3,505,678 | 3,582,033 |
| Number of Goldis Shares in issue ('000) | 589,940 | 607,636 | 607,636 | 783,075[6] |
| Consolidated NA per Goldis Share (RM) | 2.93 | 3.18 | 3.71 | 2.97 |
| Total borrowings | 1,748,466 | 3,312,390[5] | 2,985,601 | 2,912,390 |
| Cash and bank balances | 1,185,154 | 1,099,882 | 1,098,582 | 1,098,582 |
| Gearing (times)[3] | 0.36 | 1.04 | 0.85 | 0.81 |
| Net gearing (times)[4] | 0.12 | 0.70 | 0.54 | 0.51 |

## (B) Maximum Subscription Scenario:

| | | Proforma I | Proforma II | Proforma III |
|---|---|---|---|---|
| | Audited as at 31 December 2013 | After completed events[1] | After Proforma I and the Rights Issue of RCPS[2] | After Proforma II and assuming full conversion of the RCPS |
| | RM '000 | RM '000 | RM '000 | RM '000 |
| Share capital | 610,494 | 610,494 | 610,494 | 810,374 |
| Share premium | 67,765 | 32,340 | 32,340 | 286,887 |
| Redeemable convertible preference shares | - | - | 367,409 | - |
| Treasury shares | (41,147) | (5,722) | (5,722) | (5,722) |
| Reserves | 1,092,957 | 1,293,340 | 1,293,340 | 1,293,340 |
| **Shareholders' funds / NA** | **1,730,069** | **1,930,452** | **2,297,861** | **2,384,879** |
| Non-controlling interest | 3,102,460 | 1,252,881 | 1,252,881 | 1,252,881 |
| Total equity | 4,832,529 | 3,183,333 | 3,550,742 | 3,637,760 |
| Number of Goldis Shares in issue ('000) | 589,940 | 607,636 | 607,636 | 807,516[6] |
| Consolidated NA per Goldis Share (RM) | 2.93 | 3.18 | 3.78 | 2.95 |
| Total borrowings | 1,748,466 | 3,312,390[5] | 2,940,107 | 2,856,663 |
| Cash and bank balances | 1,185,154 | 1,099,882 | 1,098,582 | 1,098,582 |
| Gearing (times)[3] | 0.36 | 1.04 | 0.83 | 0.79 |
| Net gearing (times)[4] | 0.12 | 0.70 | 0.52 | 0.48 |

***Notes:***

(1) *After taking into account the following events after 31 December 2013:*

- (a) *distribution of 17,695,933 treasury shares by Goldis on the basis of three (3) treasury shares for every 100 ordinary shares held in Goldis on 14 March 2014 amounting to RM35.4 million;*
- (b) *acquisition by Goldis of 6.0 million IGB Corp Shares on 23 July 2014, representing 0.45% of the issued and paid-up share capital of IGB for a cash consideration of RM17.3 million;*
- (c) *share buy-back by IGB Corp after 31 December 2013 up to the LPD; and*
- (d) *additional acquisition by Goldis of 40.69% in IGB Corp pursuant to the Offer, which had closed on 6 November 2014, resulting in Goldis holding a shareholding of 73.32% in IGB Corp.*

(2) *On issuance of the RCPS, the fair value of the RCPS is determined and allocated into its liability and equity components, as the RCPS are accounted for as a compound instrument. The liability component is initially determined at the fair value of RM73.5 million and RM83.7 million respectively for the Minimum Subscription Scenario and Maximum Subscription Scenario, which is derived from the present value of all the RCPS' dividend obligations throughout its tenure based on the discount rate of 5.82% and 5.81% (for the Minimum Subscription Scenario and the Maximum Subscription Scenario respectively). The equity component of the RCPS represents the difference between the fair value of the RCPS instrument as a whole and the fair value of the liability component of the RCPS amounting to RM326.5 million and RM372.0 million respectively for the Minimum Subscription Scenario and Maximum Subscription Scenario. Deferred tax liability on the compound financial instrument of RM3.2 million and RM3.6 million respectively for the Minimum Subscription Scenario and Maximum Subscription Scenario shall be charged directly to the carrying amount of the equity component. Estimated expenses are allocated to the equity and liability components of the RCPS amounting to RM1.0 million and 0.3 million respectively for both scenarios.*

(3) *Being total borrowings divided by total equity.*

(4) *Being total borrowings net of cash and bank balances divided by total equity.*

(5) *The consideration for the Offer is funded by internally generated funds amounting to approximately RM58.8 million and the balance amounting to approximately RM1.6 billion entirely by borrowings. As the RM58.8 million relates to acceptance of Offer Shares by Multistock, there is no impact on the consolidated financial position of Goldis. As such, the consolidated borrowings of the Group is expected to increase by approximately RM1.6 billion for the acceptance of the remainder Offer Shares save for Multistock's portion based on the final acceptance level of 40.69% on the final closing date of the Offer.*

(6) *Based on the issuance of 400,000,000 new RCPS under the Minimum Subscription Scenario and 455,727,027 new RCPS under the Maximum Subscription Scenario taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares.*

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The full redemption of the RCPS in cash results in a settlement of the liability component of the RCPS and reversal of the equity component of the RCPS. There is no material impact to the consolidated reserves assuming full redemption of the RCPS on the same date of the proforma illustration of the Rights Issue of RCPS.

**8.3 Earnings and EPS**

The liability component of the RCPS (net of estimated expenses) shall be amortised at an effective interest rate per annum of 5.82% and 5.81% (for the Minimum Subscription Scenario and Maximum Subscription Scenario respectively) which was determined based on interest rates applicable to borrowings of comparable credit status for a similar tenure as the RCPS.

As such, a total interest expense of RM12.8 million and RM14.5 million shall be charged to the income statement on a reducing balance basis over the 5-year tenure of the RCPS, for the Minimum Subscription Scenario and Maximum Subscription Scenario respectively. Based on the approximately 607.6 million Goldis Shares in issue (excluding treasury shares) as at the LPD, the total interest expense over the 5-year tenure is equivalent to approximately 2.1 sen and 2.4 sen, for the Minimum Subscription Scenario and Maximum Subscription Scenario respectively.

For illustration purposes only, assuming that the RCPS had been completed on 1 February 2013, being the beginning of the 11-month FPE 31 December 2013, the effects of the RCPS on the annualised earnings and EPS attributable to owners of our Company are as follows:

**(A) Minimum Subscription Scenario:**

| | 31 December 2013 | Assumption I After completed events(2) | Assumption II After completed events and the Rights Issue of RCPS(3) | Assumption III On fully diluted basis(4) |
|---|---|---|---|---|
| Profit attributable to ordinary equity holders of our Company (RM'000) (Annualised based on 11-month FPE 31 December 2013)(1) | 111,257 | 127,289 | 143,020 | 143,020 |
| Weighted average of number of ordinary shares ('000) | 586,530 | 599,278 | 599,278 | 774,717 |
| EPS (sen) | 19.0 | 21.2 | 23.9 | 18.5 |

(The rest of this page has been intentionally left blank)

**(B) Maximum Subscription Scenario:**

| | 31 December 2013 | Assumption I After completed events(2) | Assumption II After completed events and the Rights Issue of RCPS(3) | Assumption III On fully diluted basis(4) |
|---|---|---|---|---|
| Profit attributable to ordinary equity holders of our Company (RM'000) (Annualised based on 11-month FPE 31 December 2013)(1) | 111,257 | 127,289 | 145,219 | 145,219 |
| Weighted average of number of ordinary shares ('000) | 586,530 | 599,278 | 599,278 | 799,158 |
| EPS (sen) | 19.0 | 21.2 | 24.2 | 18.2 |

*Notes:*

*(1) The accounting year end of Goldis was changed from 31 January to 31 December.*

*(2) The assumption has taken into account the impact of the completed events as referred to in Note 1 of Section 8.2 of this Abridged Prospectus and the finance costs incurred on the RM1.6 billion borrowings.*

*(3) The assumption has incorporated the finance costs and income tax expense on the RCPS in its first year.*

*(4) For illustrative purposes only, representing a total of 175,438,596 New Share under the Minimum Subscription Scenario and 199,880,275 New Shares under Maximum Subscription Scenario, respectively, to be issued assuming the full conversion of the RCPS at the Conversion Price.*

Depending on the extent of conversion of the RCPS, the Rights Issue of RCPS may result in a dilution of the basic EPS as a result of the increase in the number of Goldis Shares in issue as and when the RCPS are converted into New Shares.

### 8.4 Convertible Securities

As at the LPD, our Company does not have any outstanding convertible securities.

## 9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND OTHER CORPORATE EXERCISE / SCHEME

### 9.1 Working capital

Our Board is of the opinion that after taking into consideration the amount to be raised from the Rights Issue of RCPS, funds generated from our operations and banking facilities available, our Group will have sufficient working capital to meet our requirements for a period of twelve (12) months from the date of this Abridged Prospectus.

### 9.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM3,902.4 million, all of which are interest-bearing, comprising the following:

| | **RM '000** |
|---|---|
| Short-term borrowings (payable within twelve (12) months) | 2,236,503 |
| Long-term borrowings (payable after twelve (12) months) | 1,665,927 |
| **Total** | **3,902,430** |

As at the LPD, our Group has the following foreign currency borrowings:

| Foreign currency borrowing | Amount |
|---|---|
| British Pound Sterling | GBP62,500,000 |
| Australian Dollar | AUD27,000,000 |
| US Dollar | USD5,000,000 |

There has not been any default on payments of either interest and/or principal sums by our Group in respect of any borrowings throughout the past one (1) financial year and for the subsequent financial period as at the LPD.

### 9.3 Contingent liabilities

Our Board confirms that, as at the LPD, there are no material contingent liabilities incurred or known to be incurred by our Group, which, upon being enforced, will have a material adverse effect on our Group's financial position or business.

### 9.4 Material commitments

Save as disclosed below, our Board confirms that, as at the LPD, there are no material commitments incurred or known to be incurred by our Group:

| | RM '000 |
|---|---|
| Approved and contracted for: | |
| - Property, plant and equipment | 276,458 |
| - Investment properties | 16,186 |
| | 292,644 |
| Approved but not contracted for: | |
| - Property, plant and equipment | 7,062 |
| - Investment properties | 1,150,988 |
| | 1,158,050 |

The material commitments in respect of the acquisition of property, plant and equipment and investment properties are expected to be funded through internally generated funds and/or bank borrowings.

### 9.5 Details of other corporate exercise / scheme

Our Board has confirmed that, save for the Rights Issue of RCPS, our Group does not have any other corporate exercise / scheme which has been approved but is pending completion as at the date of this Abridged Prospectus.

## 10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE OR TRANSFER AND EXCESS APPLICATION

### 10.1 General

**FULL INSTRUCTIONS FOR THE ACCEPTANCE AND PAYMENT FOR THE RCPS PROVISIONALLY ALLOTTED TO YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) AS WELL AS FOR EXCESS RCPS APPLICATION ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF. YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND THE INSTRUCTIONS THEREIN CAREFULLY. THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.**

**ACCEPTANCE, APPLICATION AND/OR PAYMENT WHICH DOES NOT CONFORM STRICTLY TO THE TERMS OF THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.**

As you are an Entitled Shareholder and the shares are prescribed securities, your CDS Account will be duly credited with the number of Provisional RCPS which you are entitled to subscribe for under the terms and conditions of the Rights Issue of RCPS. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the RCPS provisionally allotted to you, as well as to apply for the Excess RCPS if you choose to do so. This Abridged Prospectus and the RSF are also available on Bursa Securities' website (http://www.bursamalaysia.com).

The minimum number of RCPS that can be subscribed for or accepted is one (1) RCPS. You and your renouncee(s) and/or transferee(s) (if applicable) should take note that a trading board lot of the RCPS is 100 RCPS.

Our Company shall make an announcement after the RCPS Closing Date on the outcome of the Rights Issue of RCPS.

**The RCPS will be prescribed securities pursuant to section 14(5) of the SICDA and therefore, all dealings will be by book entries through CDS Accounts and shall be governed by SICDA Rules and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renouncee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making applications.**

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## 10.2 Procedures for full acceptance and payment

Acceptance of and payment for the RCPS must be made on the RSF accompanying this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms and conditions of this Abridged Prospectus or the RSF or the notes and instructions contained in these Documents or which are illegible may be rejected at the absolute discretion of our Board.

If you wish to accept the Provisional RCPS in full, please complete Parts I(a) and II of the RSF in accordance with the notes and the instructions therein. Each completed and signed RSF together with the appropriate remittance must be despatched by **ORDINARY POST** at your own risk or **DELIVERED BY HAND** using the reply envelope provided to our Share Registrar at the following address:

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No. : +603 2264 3883
Fax No.: +603 2282 1886

so as to arrive no later than the RCPS Closing Date, or such other later time and date as our Board and our Principal Adviser may mutually decide and announce not less than two (2) Market Days before the stipulated time and date.

If you lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website (http://www.bursamalaysia.com), our Share Registrar at the address stated above or our registered office.

One (1) RSF can only be used for acceptance of Provisional RCPS standing to the credit of one (1) CDS Account. Separate RSF(s) must be used for the acceptance of Provisional RCPS standing to the credit of more than one (1) CDS Account. If successful, the RCPS subscribed by you or your renouncee(s) and/or transferee(s) (if applicable) will be credited into the respective CDS Accounts where the Provisional RCPS are standing to the credit.

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSF(s) by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

**EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE IN "RM" FOR THE FULL AMOUNT IN THE FORM OF BANKER'S DRAFT(S) OR CASHIER'S ORDER(S) OR MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "GOLDIS RIGHTS RCPS ACCOUNT", AND ENDORSED ON THE REVERSE SIDE WITH THE NAME IN BLOCK LETTERS AND CDS ACCOUNT OF THE ENTITLED SHAREHOLDERS TO BE RECEIVED BY OUR SHARE REGISTRAR. THE PAYMENT MUST BE MADE IN THE EXACT AMOUNT. ANY ACCEPTANCE WITH EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. CHEQUES OR ANY OTHER MODE OF PAYMENTS ARE NOT ACCEPTABLE. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

If acceptance and payment of your Provisional RCPS is not received by our Share Registrar by **5.00 p.m. on Friday, 6 February 2015**, being the RCPS Closing Date, or such other later time and date as our Board and our Principal Adviser may mutually decide and announce not less than two (2) Market Days before the stipulated time and date, such provisional allotment to you and/or your renouncee(s) (if applicable) shall be deemed to have been declined and shall be cancelled and such RCPS not taken up will be first made available for Excess RCPS application. In the event there are still unsubscribed RCPS after allocating all the Excess RCPS applied for, the Undertaking Shareholders have undertaken to subscribe for those unsubscribed RCPS such that the aggregate RCPS subscribed is at least RM400.0 million.

**NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF FOR THE RCPS ACCEPTED OR PAYMENT THEREOF WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR. PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

Upon acceptance of your Provisional RCPS and subject to the payment being made in accordance with this Abridged Prospectus and the notes and instructions in the RSF, your portion of the RCPS shall be credited into your CDS Account and a notice of allotment will be despatched to you by ordinary post to the address as stated in our Record of Depositors at your own risk within eight (8) Market Days from the last date of acceptance and payment for the RCPS or such other period as may be prescribed by Bursa Securities.

In relation to any acceptance and payment made which has been rejected on the basis that it does not conform with the terms in this Abridged Prospectus or the notes and instructions of the RSF, the full amount of the payment shall be refunded without interest to you, within fifteen (15) Market Days from the last date for acceptance and payment of the Provisional RCPS, by ordinary post to the address as stated in our Record of Depositors at your own risk.

**YOU SHOULD NOTE THAT ALL RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.**

### 10.3 Procedures for part acceptance

You are entitled to accept part of your provisionally allotted RCPS provided that the minimum number of RCPS that can be subscribed for or accepted is one (1) RCPS.

You must complete Part I(a) of the RSF by specifying the number of RCPS which you are accepting and Part II of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner as set out in Section 10.2 of this Abridged Prospectus.

**YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.**

The portion of the Provisional RCPS not taken up shall be allotted to any other person allowed under any laws, regulations or rules to accept the transfer of the Provisional RCPS and the balance, if any, will be first made available for Excess RCPS applications and subsequently, to the Undertaking Shareholders to subscribe such that the aggregate RCPS subscribed is at least RM400.0 million.

### 10.4 Procedures for sale and / or transfer of Provisional RCPS

The Provisional RCPS are renounceable and will be traded on Bursa Securities during the rights trading period. You and/or your renouncee(s) (if applicable) may sell/transfer all or part of the Provisional RCPS to such person as may be allowed pursuant to the Rules of Bursa Depository.

If you wish to sell/transfer all or part of your entitlement to the RCPS you may do so immediately through your stockbroker for the period up to the last time and date for sale/transfer of the Provisional RCPS (in accordance with the Rules of Bursa Depository), without first having to request for a split of the Provisional RCPS credited to your CDS Account.

In selling/transferring all or part of your Provisional RCPS, you and/or your renouncee(s) (if applicable) need not deliver any document (including the RSF), to your stockbroker. However, you and/or your renouncee(s) (if applicable) must ensure that there is sufficient Provisional RCPS in your CDS Account for settlement of the sale/transfer.

Renouncee(s) or transferee(s) of the Provisional RCPS may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Share Registrar or at our registered office. This Abridged Prospectus and the RSF are also available on Bursa Securities' website at (http://www.bursamalaysia.com).

If you and/or your renouncee(s) (if applicable) have sold/transferred only part of your entitlement of the RCPS, you may still accept the balance of your entitlements to the RCPS by completing Parts I(a) and II of the RSF and deliver the completed RSF together with the full amount payable on the balance of your entitlement to our Share Registrar in accordance with the instructions set out in Section 10.2 of this Abridged Prospectus.

**RENOUNCEES ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THE ABRIDGED PROSPECTUS AND THE RSF CAREFULLY.**

### 10.5 Procedures for Excess RCPS application

If you wish to apply for additional RCPS in excess of your entitlement, you may do so by completing Part I(b) of the RSF (in addition to Parts I(a) and II) and forward it with a separate remittance for the full amount payable on the Excess RCPS applied for, to our Share Registrar not later than the RCPS Closing Date or such other later time and date as our Board and our Principal Adviser may mutually decide and announce not less than two (2) Market Days before the stipulated time and date.

**PAYMENT FOR THE EXCESS RCPS APPLIED FOR SHOULD BE MADE IN THE SAME MANNER DESCRIBED IN SECTION 10.2 ABOVE EXCEPT THAT THE BANKER'S DRAFT(S) OR CASHIER'S ORDER(S) OR MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA SHALL BE CROSSED "A/C PAYEE ONLY" AND MADE PAYABLE TO "GOLDIS EXCESS RIGHTS RCPS ACCOUNT", AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS AND YOUR CDS ACCOUNT NUMBER. APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. CHEQUES OR ANY OTHER MODE OF PAYMENTS ARE NOT ACCEPTABLE. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

It is the intention of our Board to allocate the Excess RCPS, if any, in a fair and equitable manner in the following priority:

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to the Entitled Shareholders who have applied for the Excess RCPS on a pro-rata basis and in board lots, calculated based on their respective shareholdings in Goldis as at the Entitlement Date;

(iii) thirdly, for allocation to the Entitled Shareholders who have applied for the Excess RCPS on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess RCPS applied for; and

(iv) fourthly, for allocation to renouncee(s) or transferee(s) who have applied for the Excess RCPS on a pro-rata basis and in board lots, calculated based on the quantum of their respective Excess RCPS applied for.

Nevertheless, our Board reserves the right to allot the Excess RCPS applied for under Part I(b) of the RSF in such manner as our Board deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out above is achieved. Our Board reserves the right not to accept or to accept the Excess RCPS application in full or in part, without assigning any reason thereof.

**NO ACKNOWLEDGEMENT OF RECEIPT FOR THE EXCESS RCPS APPLIED OR PAYMENT THEREOF WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR. PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR.**

In respect of unsuccessful or partially successful Excess RCPS applications, the full amount or the surplus application monies, as the case may be, will be refunded without interest and shall be despatched to you within fifteen (15) Market Days from the last day for application and payment for the Excess RCPS by ordinary post to the address as shown in our Record of Depositors at your own risk.

However, if you are successful, notices of allotment will be despatched by the Share Registrar to you by ordinary post to the address as shown in our Record of Depositors at your own risk within eight (8) Market Days from the last day for application and payment for the Excess RCPS or such other period as may be prescribed by Bursa Securities.

**APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY APPLICATION OR TO ACCEPT ANY APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON.**

**YOU SHOULD NOTE THAT ALL RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR WILL BE IRREVOCABLE AND CANNOT SUBSEQUENTLY BE WITHDRAWN.**

### 10.6 Procedures for acceptance by renouncee(s) / transferee(s) (if applicable)

A renouncee or transferee who wishes to accept the Provisional RCPS, must obtain a copy of the RSF from his stockbroker, Bursa Securities' website (http://www.bursamalaysia.com), our Share Registrar or at our registered office, complete the RSF in accordance with the notes and instructions therein and submit the same together with the appropriate remittance.

The procedure for acceptance, selling or transferring of the Provisional RCPS, applying for Excess RCPS and/or payment is the same as that which is applicable to the Entitled Shareholder(s) described in Sections 10.2 to 10.5 of this Abridged Prospectus.

If you wish to obtain a copy of this Abridged Prospectus and/or accompanying RSF, you can also request for the same from your stockbroker, our Share Registrar, or Bursa Securities' website at (http://www.bursamalaysia.com).

**THE RENOUNCEE(S)/TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND RSF CAREFULLY.**

**THE LAST TIME AND DATE FOR ACCEPTANCE AND PAYMENT FOR THE RCPS WILL BE AT 5.00 P.M. ON FRIDAY, 6 FEBRUARY 2015, OR SUCH OTHER LATER TIME AND DATE AS OUR BOARD AND OUR PRINCIPAL ADVISER MAY MUTUALLY DECIDE AND ANNOUNCE NOT LESS THAN TWO (2) MARKET DAYS BEFORE THE STIPULATED TIME AND DATE.**

### 10.7 Form of Issuance

Bursa Securities has already prescribed the RCPS to be listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the RCPS are prescribed securities and as such, all dealings in the RCPS will be subject to the SICDA and the Rules of Bursa Depository.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected. No physical RCPS certificate will be issued to you. A notice of allotment will be despatched to the respective Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) (as the case may be) by ordinary post to the address shown on our Record of Depositors provided by Bursa Depository at their own risk within eight (8) Market Days from the last date for acceptance of and payment for the RCPS or such other period as may be prescribed by Bursa Securities.

Where the RCPS are provisionally allotted to Entitled Shareholders in respect of their existing Goldis Shares standing to the credit of their CDS Account on the Entitlement Date, the acceptance by Entitled Shareholders of the provisional allotment of RCPS shall mean that they consent to receive such provisional allotment of RCPS as prescribed or deposited securities which will be credited directly into their CDS Account.

Any person who has purchased the Provisional RCPS or to whom the Provisional RCPS has been transferred and intends to subscribe for the RCPS must state his/her CDS Account number in the space provided in the RSF. The RCPS will be credited directly as prescribed or deposited securities into his/her CDS Account upon allotment and issuance.

The Excess RCPS, if allotted to the successful applicant who applies for the Excess RCPS, will be credited directly as prescribed securities into the CDS Account of the successful applicant. The allocation of the Excess RCPS will be made on a fair and equitable basis in such manner as disclosed in Section 10.5 of this Abridged Prospectus.

### 10.8 Foreign Addressed Shareholders and/or shareholders subject to laws of foreign jurisdictions

The Documents to be issued in connection with the Rights Issue of RCPS have not been (and will not be) made to comply with the laws of any countries or jurisdictions other than Malaysia, and have not been (and will not be) registered under any applicable securities legislation of any countries or jurisdictions other than Malaysia, and the Rights Issue of RCPS will not be offered for purchase or subscription in any countries or jurisdictions other than Malaysia.

Accordingly, the Documents have only been sent to Entitled Shareholders who have a registered address or an address for service in Malaysia as registered in our Record of Depositors as at the Entitlement Date.

Our Company will not make or be bound to make any enquiry as to whether the Entitled Shareholders have a registered address other than as stated in our Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith.

Foreign Addressed Shareholders may only exercise their rights in respect of the Rights Issue of RCPS to the extent that it would be lawful to do so, and our Company and/or CIMB would not, in connection with the Rights Issue of RCPS, be in breach of the laws of any country or jurisdiction which the Foreign Addressed Shareholders and/or their renouncee(s) might be subject to.

Foreign Addressed Shareholders will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such foreign country or jurisdiction and our Company shall be entitled to be fully indemnified and held harmless by such foreign applicants for any issue, transfer or any other taxes or duties as such person may be required to pay. They will have no claims whatsoever against our Company, our Share Registrar and/or CIMB in respect of their rights or entitlements under the Rights Issue of RCPS. Such applicants should also consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to exercise their rights in respect of the Rights Issue of RCPS.

**Foreign Addressed Shareholders shall be solely responsible to seek advice as to the laws of any jurisdiction to which they may be subject, and participation by the Foreign Addressed Shareholders in the Rights Issue of RCPS shall be on the basis of a warranty by them that they may lawfully so participate without our Company and/or CIMB being in breach of the laws of any jurisdiction.**

**Neither our Company, CIMB nor any other advisers to the Rights Issue of RCPS shall accept any responsibility or liability in the event that any acceptance of a Foreign Addressed Shareholder of his/her rights in respect of the Rights Issue of RCPS is or shall become illegal, unenforceable, voidable or void in any country or jurisdiction.**

**Our Company reserves the right in our absolute discretion to treat any acceptance as being invalid if we believe or have reason to believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional RCPS relating to any acceptance which is treated as invalid will be included in the pool of Excess RCPS available for excess application by the other Entitled Shareholders. You and/or your renouncee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against our Company, CIMB or any other advisers to the Rights Issue of RCPS in respect of your and/or your renouncee(s)' and/or transferee(s)' (if applicable) entitlement under the Rights Issue of RCPS or to any net proceeds thereof.**

Non-resident Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who wish to utilise foreign currency hedges to minimise exposure risk to RM must do so via Licensed Local Banks only.

By signing any forms accompanying the Documents, the Foreign Addressed Shareholders and/or their renouncee(s) and/or their transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) CIMB, other experts, our Company, our Directors and officers that:

(i) our Company would not, by acting on the acceptance or renunciation in connection with the Rights Issue of RCPS be in breach of the laws of any jurisdiction to which the Foreign Addressed Shareholders and/or their renouncees and/or their transferee(s) (if applicable) are or may be subject to;

(ii) they have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

(iii) they are not a nominee or agent of a person in respect of whom our Company would, by acting on the acceptance or renunciation, be in breach of the law of any jurisdiction to which that person is or may be subject to;

(iv) they are aware that the RCPS can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) they have received a copy of this Abridged Prospectus and have read the contents of this Abridged Prospectus;

(vi) they have had access to such financial and other information and have been afforded the opportunity to ask questions to the representatives of our Company and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the RCPS; and

(vii) they have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for or purchasing the RCPS, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the RCPS.

## 11. TERMS AND CONDITIONS

The issuance of the RCPS pursuant to the Rights Issue of RCPS is governed by the terms and conditions as set out in the Documents.

## 12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of the Board of Directors of
**GOLDIS BERHAD**

**TAN LEI CHENG**
Executive Chairman and Chief Executive Officer

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**CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE RIGHTS ISSUE OF RCPS PASSED AT OUR EGM HELD ON 23 DECEMBER 2014**

**GOLDIS BERHAD**
(Company No. 515802-U)
(Incorporated in Malaysia)

**EXTRACT OF THE RESOLUTIONS PASSED AT THE EXTRAORDINARY GENERAL MEETING OF GOLDIS BERHAD HELD AT THE AMPANG ROOM, MEZZANINE FLOOR, GTOWER, 199 JALAN TUN RAZAK, 50400 KUALA LUMPUR ON TUESDAY, 23 DECEMBER 2014 AT 3.00 P.M.**

**ORDINARY RESOLUTION 1**

**PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 460.0 MILLION NEW REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES OF RM0.01 EACH IN GOLDIS ("RCPS") AT AN ISSUE PRICE OF RM1.00 CASH FOR EACH RCPS, CONVERTIBLE INTO ORDINARY SHARES OF RM1.00 EACH IN GOLDIS ("GOLDIS SHARES") AND UNDERTAKEN ON A MINIMUM SUBSCRIPTION LEVEL OF RM400.0 MILLION OF RCPS ("PROPOSED RIGHTS ISSUE")**

"**THAT**, subject to the passing of Ordinary Resolution 2 and the Special Resolution, the approval granted by Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the admission of the RCPS to the Official List of Bursa Securities and the listing of and quotation for the RCPS and the new Goldis Shares to be issued pursuant to conversion of the RCPS (the "**New Shares**"), the approval of Bank Negara Malaysia and all other relevant authorities / parties (if applicable), approval be and is hereby given to the Board for the following:

(a) to provisionally allot and issue by way of a renounceable rights issue up to 460.0 million RCPS at an issue price of RM1.00 each to shareholders whose names appear in the Record of Depositors at the close of business on an entitlement ratio and entitlement date to be determined and announced later by the Board, and that RCPS not provisionally allotted or validly subscribed for any reason whatsoever shall be dealt with by the Board in the manner set out in section 2.1.2 of the Circular to the shareholders of the Company dated 28 November 2014 ("**Circular**");

(b) to allot and issue such number of New Shares pursuant to the conversion of the RCPS, from time to time during the tenure of the RCPS, and such New Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the then existing Goldis Shares provided that such New Shares shall not be entitled to participate in any dividends, rights, allotments and/or any other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of allotment of the said New Shares; and

(c) to allot and issue such further number of New Shares as may be required or permitted to be allotted and issued as a consequence of the adjustments in accordance with the terms of the RCPS as set out in the Circular;

**THAT** the proceeds from the Proposed Rights Issue be utilised for the purposes as set out in the Circular;

**GOLDIS BERHAD**
(Company No. 515802-U)
(Incorporated in Malaysia)

**EXTRACT OF THE RESOLUTIONS PASSED AT THE EXTRAORDINARY GENERAL MEETING OF GOLDIS BERHAD HELD AT THE AMPANG ROOM, MEZZANINE FLOOR, GTOWER, 199 JALAN TUN RAZAK, 50400 KUALA LUMPUR ON TUESDAY, 23 DECEMBER 2014 AT 3.00 P.M.**

**THAT** fractional entitlements to the RCPS arising from the Proposed Rights Issue, if any, will be disregarded and shall be dealt with in such manner as the Board shall in its absolute discretion deem fit or expedient and in the best interest of our Company;

**AND THAT** the Directors be and are hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the aforesaid Proposed Rights Issue with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnity, transfer, assignment and guarantee with any party or parties and to do all such acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue."

**ORDINARY RESOLUTION 2**

**PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF GOLDIS FROM RM1,000,000,000 COMPRISING 1,000,000,000 GOLDIS SHARES TO RM1,510,000,000 COMPRISING 1,500,000,000 GOLDIS SHARES AND 1,000,000,000 RCPS ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")**

"**THAT**, subject to the passing of Ordinary Resolution 1 and the Special Resolution, and subject to all relevant approvals being obtained from the relevant regulatory authorities, approval be and is hereby given for Goldis to increase its authorised share capital from RM1,000,000,000 comprising 1,000,000,000 Goldis Shares to RM1,510,000,000 comprising 1,500,000,000 Goldis Shares and 1,000,000,000 preference shares by the creation of an additional 500,000,000 new Goldis Shares and 1,000,000,000 new RCPS."

**SPECIAL RESOLUTION**

**PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF GOLDIS ("PROPOSED AMENDMENTS")**

"**THAT**, subject to the passing of Ordinary Resolution 1 and Ordinary Resolution 2, the Memorandum and Articles of Association of Goldis be amended in the manner set out in Appendix II of the Circular;

**THAT** the Directors of Goldis be and are hereby authorised to give effect to the amendments to the Memorandum and Articles of Association of Goldis;

**CERTIFIED TRUE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE RIGHTS ISSUE OF RCPS PASSED AT OUR EGM HELD ON 23 DECEMBER 2014 *(Cont'd)***

**GOLDIS BERHAD**
(Company No. 515802-U)
(Incorporated in Malaysia)

**EXTRACT OF THE RESOLUTIONS PASSED AT THE EXTRAORDINARY GENERAL MEETING OF GOLDIS BERHAD HELD AT THE AMPANG ROOM, MEZZANINE FLOOR, GTOWER, 199 JALAN TUN RAZAK, 50400 KUALA LUMPUR ON TUESDAY, 23 DECEMBER 2014 AT 3.00 P.M.**

**AND THAT** the Directors of Goldis be and are hereby authorised to sign and execute all documents, do all things and acts as may be required to give effect to the issuance of the RCPS and the New Shares with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps to enter into all such agreement, arrangement, undertaking, indemnity, transfer, assignment and guarantee with any party or parties and to do all such acts and things in any manner as they may deem necessary or expedient to give full effect to the issuance of the RCPS and the New Shares."

**CERTIFIED TRUE EXTRACT**

**TAN LEI CHENG**
**Director**

**CHOW LAI PING**
**Secretary (MAICSA 0829388)**

Dated : 6 January 2015

## INFORMATION ON OUR COMPANY

## 1. HISTORY AND BUSINESS

Our Company was incorporated in Malaysia on 1 June 2000 as a private company under the name of Dimensi Subuh Sdn Bhd and it was converted to a public company on 23 November 2000 under the name Dimensi Subuh Berhad. It changed its name to Gold IS Berhad on 31 January 2001 and on 8 May 2002 assumed the listing status of Tan & Tan Development Bhd ("**Tan & Tan**"), a company founded by Dato' Tan Chin Nam and the late Datuk Tan Kim Yeow, following the implementation of the merger exercise between Tan & Tan and IGB Corp. It subsequently changed its name to Goldis Berhad on 8 July 2005 and is currently listed on the Main Market of Bursa Securities.

The principal activities of our Company are investment holding and the provision of management services. Through its subsidiaries, our Company is involved in property investment and management, owner and operator of malls, hotel operations, property development, construction, information and communication technology services, provision of engineering services for water treatment plants and related services, aquaculture, investment holding and management of real estate investment trust.

## 2. SHARE CAPITAL

### 2.1 Authorised, issued and paid-up share capital

The authorised share capital of our Company as at the LPD is RM1,000,000,000 comprising 1,000,000,000 ordinary shares of RM1.00 each, of which 610,494,056 Goldis Shares (including 2,858,020 treasury shares) have been issued and fully paid-up.

On 23 December 2014, the authorised share capital of our Company was increased from RM1,000,000,000 comprising 1,000,000,000 ordinary shares of RM1.00 each to RM1,510,000,000.00 comprising 1,500,000,000 Goldis Shares and 1,000,000,000 RCPS.

### 2.2 Changes in authorised share capital

There have been no changes in our Company's authorised share capital for the past 3 years up to the LPD. The Increase in Authorised Share Capital was effected on 23 December 2014.

### 2.3 Changes in issued and paid-up share capital

The changes in our Company's issued and paid-up share capital for the past 3 years up to the LPD are as follows:

| Date of allotment | No. of Shares allotted | Par value | Type of issue / Consideration | Cumulative issued and paid-up share capital |
|---|---|---|---|---|
| | | RM | | RM |
| 10 February 2012 | 96,500 | 1.00 | Cash | 610,464,056 |
| 3 May 2012 | 30,000 | 1.00 | Cash | 610,494,056 |

## 3. SUBSTANTIAL SHAREHOLDERS

The Rights Issue of RCPS will not have any immediate effect on the substantial shareholding structure of our Company. However, if the RCPS are converted in the future, the percentage shareholdings of the substantial shareholders may change depending on the extent of conversion.

The proforma effects on Goldis' substantial shareholders' shareholdings based on the issued and paid-up share capital of Goldis (excluding treasury shares) as at the LPD taking into account the Minimum Subscription Scenario and the Maximum Subscription Scenario are as follows:

### (A) Minimum Subscription Scenario

| | As at the LPD | | | | Proforma I After the Rights Issue | | | | Proforma II(a) After Proforma I and assuming full redemption of the RCPS | | | | Proforma II(b) After Proforma I and assuming full conversion of the RCPS(1)(3) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect(2) | | Direct | | Indirect(2) | | Direct | | Indirect(2) | | Direct | | Indirect(2) | |
| | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % |
| Tan Chin Nam Sdn Bhd | 118.4 | 19.5 | 120.5 | 19.8 | 118.4 | 19.5 | 120.5 | 19.8 | 118.4 | 19.5 | 120.5 | 19.8 | 177.5 | 22.7 | 176.3 | 23.1 |
| Tan Kim Yeow Sendirian Berhad | 63.9 | 10.5 | 114.4 | 18.8 | 63.9 | 10.5 | 114.4 | 18.8 | 63.9 | 10.5 | 114.4 | 18.8 | 95.9 | 12.2 | 167.4 | 21.9 |
| Pauline Tan Suat Ming | 0.8 | 0.1 | 178.4 | 29.4 | 0.8 | 0.1 | 178.4 | 29.4 | 0.8 | 0.1 | 178.4 | 29.4 | 1.2 | 0.2 | 260.9 | 34.2 |
| Dato' Seri Robert Tan Chung Meng | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 2.2 | 0.3 | 260.9 | 34.2 |
| Tony Tan @ Choon Keat | - | - | 178.4 | 29.4 | - | - | 178.4 | 29.4 | - | - | 178.4 | 29.4 | - | - | 260.9 | 34.2 |
| Wah Seong (Malaya) Trading Co. Sdn Bhd | 89.7 | 14.8 | 24.7 | 4.1 | 89.7 | 14.8 | 24.7 | 4.1 | 89.7 | 14.8 | 24.7 | 4.1 | 134.5 | 17.2 | 36.1 | 4.7 |
| Tan Boon Seng | 1.4 | 0.2 | 95.4 | 15.7 | 1.4 | 0.2 | 95.4 | 15.7 | 1.4 | 0.2 | 95.4 | 15.7 | 2.1 | 0.3 | 95.4 | 12.2 |
| Lee Hing Development Limited | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 12.2 |
| Wang Tak Company Ltd | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 12.2 | - | - |
| HSBC Holdings plc | - | - | 76.7 | 12.6 | - | - | 76.7 | 12.6 | - | - | 76.7 | 12.6 | - | - | 76.7 | 9.8 |

## INFORMATION ON OUR COMPANY *(Cont'd)*

***Notes**:*

*(1)* *Based on the assumption that only the Undertaking Shareholders subscribe in full for their entitlement to the RCPS as part of their Entitlement Undertaking and their Additional Undertaking on a pro rata basis. The table above is purely an illustration for the purposes of Section 3 of Appendix II of this Abridged Prospectus and should not be regarded as an indication of the final shareholdings of the substantial shareholders as the undertakings provided by the Undertaking Shareholders (as disclosed in Section 3.1 of this Abridged Prospectus) were provided on a collective basis as opposed to based on the respective entitlement of each Undertaking Shareholder. As such, the respective shareholdings of the substantial shareholders above, upon completion of the Rights Issue of RCPS, may differ from the figures in the table above.*

*(2)* *Deemed interest pursuant to section 6A of the Act.*

*(3)* *Based on the issuance of 400,000,000 new RCPS taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares. On this basis, a total of 175,438,596 New Shares is assumed to be issued assuming the full conversion of the RCPS at the Conversion Price.*

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**(B) Maximum Subscription Scenario**

| | As at the LPD | | | | Proforma I After the Rights Issue | | | | Proforma II(a) After Proforma I and assuming full redemption of the RCPS | | | | Proforma II(b) After Proforma I and assuming full conversion of the RCPS[(2)] | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect[(1)] | | Direct | | Indirect[(1)] | | Direct | | Indirect[(1)] | | Direct | | Indirect[(1)] | |
| | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % |
| Tan Chin Nam Sdn Bhd | 118.4 | 19.5 | 120.5 | 19.8 | 118.4 | 19.5 | 120.5 | 19.8 | 118.4 | 19.5 | 120.5 | 19.8 | 157.3 | 19.5 | 160.2 | 19.8 |
| Tan Kim Yeow Sendirian Berhad | 63.9 | 10.5 | 114.4 | 18.8 | 63.9 | 10.5 | 114.4 | 18.8 | 63.9 | 10.5 | 114.4 | 18.8 | 85.0 | 10.5 | 152.0 | 18.8 |
| Pauline Tan Suat Ming | 0.8 | 0.1 | 178.4 | 29.4 | 0.8 | 0.1 | 178.4 | 29.4 | 0.8 | 0.1 | 178.4 | 29.4 | 1.1 | 0.1 | 237.0 | 29.4 |
| Dato' Seri Robert Tan Chung Meng | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 2.0 | 0.2 | 237.0 | 29.4 |
| Tony Tan @ Choon Keat | - | - | 178.4 | 29.4 | - | - | 178.4 | 29.4 | - | - | 178.4 | 29.4 | - | - | 237.0 | 29.4 |
| Wah Seong (Malaya) Trading Co. Sdn Bhd | 89.7 | 14.8 | 24.7 | 4.1 | 89.7 | 14.8 | 24.7 | 4.1 | 89.7 | 14.8 | 24.7 | 4.1 | 119.2 | 14.8 | 32.8 | 4.1 |
| Tan Boon Seng | 1.4 | 0.2 | 95.4 | 15.7 | 1.4 | 0.2 | 95.4 | 15.7 | 1.4 | 0.2 | 95.4 | 15.7 | 1.9 | 0.2 | 126.8 | 15.7 |
| Lee Hing Development Limited | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 126.8 | 15.7 |
| Wang Tak Company Ltd | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 95.4 | 15.7 | - | - | 126.8 | 15.7 | - | - |
| HSBC Holdings plc | - | - | 76.7 | 12.6 | - | - | 76.7 | 12.6 | - | - | 76.7 | 12.6 | - | - | 101.9 | 12.6 |

***Note:***

*(1)* *Deemed interest pursuant to section 6A of the Act.*

*(2)* *Based on the issuance of 455,727,027 new RCPS taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares. On this basis, a total of 199,880,275 New Shares is assumed to be issued assuming the full conversion of the RCPS at the Conversion Price.*

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## 4. DIRECTORS

The proforma effects of the Rights Issue of RCPS on the shareholdings of our directors as at the LPD (based on our Register of Directors) are as follows:

### (A) Minimum Subscription Scenario

| | As at the LPD | | | | Proforma I After the Rights Issue of RCPS | | | | Proforma II(a) After Proforma I and assuming full redemption of the RCPS | | | | Proforma II(b) After Proforma I and assuming full conversion of the RCPS(1) (4) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect(2) | | Direct | | Indirect(2) | | Direct | | Indirect(2) | | Direct | | Indirect(2) | |
| | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % |
| Tan Lei Cheng | 8.9 | 1.5 | 3.9 | 0.6 | 8.9 | 1.5 | 3.9 | 0.6 | 8.9 | 1.5 | 3.9 | 0.6 | 13.3 | 1.7 | 5.8 | 0.7 |
| Datuk Tan Kim Leong @ Tan Chong Min | 0.4 | 0.1 | - | - | 0.4 | 0.1 | - | - | 0.4 | 0.1 | - | - | 0.4 | 0.1 | - | - |
| Dato' Seri Robert Tan Chung Meng | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 2.2 | 0.3 | 267.5 | 34.2 |
| Tan Boon Lee | 4.2 | 0.7 | - | - | 4.2 | 0.7 | - | - | 4.2 | 0.7 | - | - | 6.2 | 0.8 | - | - |
| Daud Mah Bin Abdullah @ Mah Siew Whye | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - |
| Tan Mei Sian | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - | 0.1 | -(3) | - | - |
| Lee Chaing Huat | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Daniel Yong Chen-I | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

***Notes:***

*(1)* *Based on the assumption that only the Undertaking Shareholders subscribe in full for their entitlement to the RCPS as part of their Entitlement Undertaking and their Additional Undertaking on a pro rata basis. The table above is purely an illustration for the purposes of Section 3 of Appendix II of this Abridged Prospectus and should not be regarded as an indication of the final shareholdings of the substantial shareholders as the undertakings provided by the Undertaking Shareholders (as disclosed in Section 3.1 of this Abridged Prospectus) were provided on a collective basis as opposed to based on the respective entitlement of each Undertaking Shareholder. As such, the respective shareholdings of the substantial shareholders above, upon completion of the Rights Issue of RCPS, may differ from the figures in the table above.*

*(2)* *Deemed interest pursuant to section 6A of the Act.*

*(3)* *Less than 0.1%.*

*(4)* *Based on the issuance of 400,000,000 new RCPS taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares. On this basis, a total of 175,438,596 New Shares is assumed to be issued assuming the full conversion of the RCPS at the Conversion Price.*

**(B) Maximum Subscription Scenario**

| | As at the LPD | | | | Proforma I After the Rights Issue of RCPS | | | | Proforma II(a) After Proforma I and assuming full redemption of the RCPS | | | | Proforma II(b) After Proforma I and assuming full conversion of the RCPS[3] | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct | | Indirect[1] | | Direct | | Indirect[1] | | Direct | | Indirect[1] | | Direct | | Indirect[1] | |
| | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % | No. of Shares million | % |
| Tan Lei Cheng | 8.9 | 1.5 | 3.9 | 0.6 | 8.9 | 1.5 | 3.9 | 0.6 | 8.9 | 1.5 | 3.9 | 0.6 | 11.8 | 1.5 | 5.1 | 0.6 |
| Datuk Tan Kim Leong @ Tan Chong Min | 0.4 | 0.1 | - | - | 0.4 | 0.1 | - | - | 0.4 | 0.1 | - | - | 0.5 | 0.1 | - | - |
| Dato' Seri Robert Tan Chung Meng | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 1.5 | 0.2 | 178.4 | 29.4 | 2.0 | 0.2 | 237.0 | 29.4 |
| Tan Boon Lee | 4.2 | 0.7 | - | - | 4.2 | 0.7 | - | - | 4.2 | 0.7 | - | - | 5.5 | 0.7 | - | - |
| Daud Mah Bin Abdullah @ Mah Siew Whye | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - |
| Tan Mei Sian | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - | 0.1 | -[2] | - | - |
| Lee Chaing Huat | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Daniel Yong Chen-I | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

***Notes:***

*(1)* *Deemed interest pursuant to section 6A of the Act.*

*(2)* *Less than 0.1%.*

*(3)* *Based on the issuance of 455,727,027 new RCPS taking into consideration the issued and paid-up share capital of our Company as at the LPD of 607,636,036 Goldis Shares after excluding 2,858,020 treasury shares. On this basis, a total of 199,880,275 New Shares is assumed to be issued assuming the full conversion of the RCPS at the Conversion Price.*

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## 5. SUBSIDIARIES AND ASSOCIATED COMPANIES

The subsidiaries and associated companies of our Company as at the LPD are as follows:

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| **Subsidiaries** | | | | |
| AFMS Solutions Sdn Bhd | 6 August 2013 Malaysia | RM10.00 | 80.00 | Research and development of automated facilities management solution system |
| Genius Momentum Sdn Bhd | 20 June 2014 Malaysia | RM2.00 | 100.00 | CrossFit and functional training |
| GoldChina Sdn Bhd | 17 October 1981 Malaysia | RM24,800,000.00 | 100.00 | Investment holding |
| Goldis Capital Sdn Bhd | 31 January 2007 Malaysia | RM100,000.00 | 100.00 | Has not commenced operations |
| Goldis Water Sdn Bhd | 23 November 2001 Malaysia | RM3,570,000.00 | 100.00 | Investment holding |
| Goldis Yu Sdn Bhd | 16 March 2001 Malaysia | RM500,000.00 | 100.00 | Provision of money lending services to related companies |
| GTower Sdn Bhd | 21 July 1993 Malaysia | RM50,000,000.00 | 80.00 | Property investment holding |
| G Fish (Asia) Sdn Bhd | 18 January 2006 Malaysia | RM9,000,000.00 | 96.67 | Aquaculture operation |
| IGB Corporation Berhad | 12 November 1964 Malaysia | RM667,449,370.00 | 73.32 | Investment holding and property development. |
| Lautan Bumimas Sdn Bhd | 11 November 2011 Malaysia | RM350,000.00 | 51.00 | Aquaculture operation |
| Macro Lynx Sdn Bhd | 7 November 1995 Malaysia | RM7,500,000.00 | 100.00 | Provision of broadband internet access services, web enabling services, supply and service of computer and related products |
| Multistock Sdn Bhd | 28 November 1983 Malaysia | RM1,000.00 | 100.00 | Investment trading and investment holding |
| Perfect Encore Sdn Bhd | 29 April 2014 Malaysia | RM2.00 | 100.00 | Integrated healthcare and wellness |
| Steady Paramount Sdn Bhd | 12 December 2012 Malaysia | RM2.00 | 100.00 | Property investment holding |
| Silver Sanctuary Sdn Bhd | 18 September 2014 Malaysia | RM2.00 | 100.00 | Property investment holding |
| Triple Hallmark Sdn Bhd | 20 February 2012 Malaysia | RM2.00 | 100.00 | Investment holding |
| **Held by GoldChina Sdn Bhd** | | | | |
| Crest Spring Pte Ltd | 11 August 1988 Singapore | SGD500,000.00 | 100.00 | Investment holding |

## INFORMATION ON OUR COMPANY *(Cont'd)*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| **Held by Crest Spring Pte Ltd** | | | | |
| Crest Spring (Shanghai) Co. Ltd | 2 April 2004 The People's Republic of China | USD6,000,000.00 | 100.00 | Provision of engineering services for pure water and waste water treatment plants and related services |
| New Water Co. Ltd | 22 May 2013 The People's Republic of China | USD10,000,000.00 | 100.00 | Management, operation and maintenance of waste water treatment plant for a concession period of 24 years |
| **Held by Crest Spring (Shanghai) Co. Ltd** | | | | |
| Jiang Su Crest Spring Co. Ltd | 12 January 2006 The People's Republic of China | RMB10,000,000.00 | 99.50 | Investment holding and consultancy services in water treatment |
| Yantai Xin Cheng Wastewater Treatment Co. Ltd | 15 December 2005 The People's Republic of China | RMB10,000,000.00 | 100.00 | Management, operation and maintenance of waste water treatment plant for a concession period of 23 years |
| Lianyungang Ganyu Xin Cheng Sewage Treatment Co. Ltd | 28 September 2004 The People's Republic of China | RMB10,000,000.00 | 100.00 | Management, operation and maintenance of waste water treatment plant for a concession period of 24 years |
| **Held by Goldis Water Sdn Bhd** | | | | |
| Goldis Water Pte Ltd | 22 January 2009 Singapore | SGD2.00 | 100.00 | Investment holding |
| **Held by Goldis Water Pte Ltd** | | | | |
| ZouCheng XinCheng Waste Water Co. Ltd | 19 May 2009 The People's Republic of China | USD2,100,000.00 | 100.00 | Management, operation and maintenance of waste water treatment plant for a concession period of 25 years |
| **Held by G Fish (Asia) Sdn Bhd** | | | | |
| OM3 Fish (Asia) Sdn Bhd | 24 February 2006 Malaysia | RM250,000.00 | 96.67 | Marketing and sale of aquaculture products |
| OM3 Fish Development Sdn Bhd | 20 June 1996 Malaysia | RM100,000.00 | 96.67 | Aquaculture farms development and construction |
| OM3 Fish Services Sdn Bhd | 17 August 2006 Malaysia | RM2,600,000.00 | 96.67 | Aquaculture operation and provision of management services |
| **Held by Macro Lynx Sdn Bhd** | | | | |
| MVC Fiberlynx Sdn Bhd | 17 November 2006 Malaysia | RM10,000.00 | 100.00 | Provision of broadband internet access services, web enabling services, supply and service of computer and related products. |

## INFORMATION ON OUR COMPANY *(Cont'd)*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| Mines Fiberlynx Sdn Bhd | 11 September 2007 Malaysia | RM300,000.00 | 100.00 | Provision of broadband internet access services, web enabling services, supply and service of computer and related products. |
| MLynx Sdn Bhd | 5 January 2012 Malaysia | RM2.00 | 100.00 | Provision of broadband internet access services, web enabling services, supply and service of computer and related products. |
| **Held by Triple Hallmark Sdn Bhd** | | | | |
| Sonata Vision Sdn Bhd | 23 September 2008 Malaysia | RM2,600,000.00 | 100.00 | Food and beverage operation |
| **Held by IGB Corp and its subsidiaries** | | | | |
| Abad Flora Sdn Bhd (1) | 25 April 1997 Malaysia | RM50,002.00 | 73.32 | Property investment |
| Amandamai Dua Sdn Bhd (1) | 16 November 1981 Malaysia | RM700,000.00 | 73.32 | Property development |
| Amandamai Satu Sdn Bhd (1) | 1 April 1996 Malaysia | RM250,000.00 | 73.32 | Property development |
| Angkasa Gagah Sdn Bhd (1) | 20 November 2001 Malaysia | RM1,900,002.00 | 73.32 | Property development |
| Arabayu Sepakat Sdn Bhd (1) | 9 July 2012 Malaysia | RM2,600,002.00 | 73.32 | Property development and property investment |
| Asian Equity Limited (2) | 18 November 1997 British Virgin Islands | GBP280,000.00 | 40.33 | Investment holding |
| Atar Deras Sdn Bhd (1) | 10 February 1995 Malaysia | RM9,865,000.00 | 73.32 | Property development |
| Auspicious Prospects Ltd (3) | 8 August 1988 Liberia | USD1.00 | 73.32 | Investment holding |
| Belimbing Hills Sdn Bhd (1) | 27 May 1981 Malaysia | RM250,000.00 | 73.32 | Property development |
| Beswell Limited (4) | 31 March 1994 Hong Kong | HKD10,000.00 | 73.32 | Investment holding |
| Bintang Buana Sdn Bhd (1) | 15 December 1994 Malaysia | RM250,000.00 | 65.99 | Property development |
| Central Review (M) Sdn Bhd (1) | 26 June 1992 Malaysia | RM3,681,042.00 | 73.32 | Hotelier |
| Cipta Klasik (M) Sdn Bhd (1) | 16 March 1993 Malaysia | RM3,000,000.00 | 51.32 | Property development |
| Cititel Hotel Management Sdn Bhd | 21 May 1990 Malaysia | RM100,000.00 | 43.99 | Provision of hotel management services |
| Cititel Hotels Pty Ltd (4) | 8 January 2007 Australia | AUD11,000,000.00 | 73.32 | Investment holding |

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| Corpool Holdings Sdn Bhd | 14 October 1981 Malaysia | RM3,175,000.00 | 73.32 | Investment holding |
| Danau Bidara (M) Sdn Bhd [(1)] | 23 July 1996 Malaysia | RM250,002.00 | 73.32 | Property investment |
| Detik Harapan Sdn Bhd | 1 October 2007 Malaysia | RM250,000.00 | 43.99 | Operator of educational institutions |
| Dian Rezki Sdn Bhd (*under members' voluntary liquidation*) | 19 January 1989 Malaysia | RM2.00 | 73.32 | Dormant |
| Dimensi Magnitud Sdn Bhd | 16 March 2012 Malaysia | RM1,845,000.00 | 51.32 | Property investment |
| Distinctive Ace Sdn Bhd [(5)] | 13 July 2011 Malaysia | RM9,180,000.00 | 36.66 + 1 share | Property investment and property development |
| Earning Edge Sdn Bhd [(6)] | 18 July 1994 Malaysia | RM6,146,350.00 | 47.66 | Investment holding |
| Eastwind Alliance Sdn Bhd [(1)] | 18 October 2013 Malaysia | RM2.00 | 73.32 | Investment holding |
| Ensignia Construction Sdn Bhd | 14 July 1982 Malaysia | RM2,000,000.00 | 73.32 | Building construction |
| Grapevine Investments Pte Ltd | 19 October 1985 Singapore | SGD500,000.00 | 73.32 | Investment holding |
| Great Union Properties Sdn Bhd | 26 June 1972 Malaysia | RM118,800,000.00 | 73.32 | Hotelier |
| Harta Villa Sdn Bhd [(1)] | 7 July 1994 Malaysia | RM2,175,000.00 | 73.32 | Property development |
| ICDC Holdings Sdn Bhd | 4 December 1981 Malaysia | RM2,174,522.00 | 73.32 | Investment holding |
| Idaman Spektra Sdn Bhd | 19 September 2008 Malaysia | RM1,250,002.00 | 73.32 | Property investment |
| IGB International School Sdn Bhd | 31 January 2008 Malaysia | RM1,250,000.00 | 73.32 | Property investment |
| IGB International Ventures Sdn Bhd | 25 May 2012 Malaysia | RM2.00 | 73.32 | Investment holding |
| IGB Management Services Sdn Bhd | 19 January 2007 Malaysia | RM25,002.00 | 73.32 | Property management services |
| IGB Project Management Services Sdn Bhd | 2 September 1985 Malaysia | RM2.00 | 73.32 | Project management services |
| IGB Properties Sdn Bhd | 17 October 1983 Malaysia | RM2,760,000.00 | 73.32 | Property investment and management |
| IGB REIT Management Sdn Bhd | 21 March 2012 Malaysia | RM1,000,000.00 | 73.32 | Management of real estate investment trust |

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| IGB Real Estate Investment Trust | Established on 25 July 2012 Malaysia | Units issued: 3,447,327,655 | 38.09 | Real estate investment trust |
| Innovation & Concept Development Co. Sdn Bhd (7) | 17 February 1979 Malaysia | RM1,789,322.00 | 73.32 | Property development |
| Intercontinental Aviation Services Sdn Bhd (*under members' voluntary liquidation*) | 19 January 1990 Malaysia | RM2.00 | 73.32 | Dormant |
| IST Building Products Sdn Bhd | 13 July 1985 Malaysia | RM500,000.00 | 73.32 | Trading of building materials |
| IT&T Engineering & Construction Sdn Bhd | 23 June 1982 Malaysia | RM1,000,000.00 | 73.32 | Investment holding |
| Kemas Muhibbah Sdn Bhd (8) | 2 August 1988 Malaysia | RM25,000.00 | 73.32 | Property development |
| KennyVale Sdn Bhd (1) | 5 April 1995 Malaysia | RM2.00 | 73.32 | Property development |
| Kondoservis Sdn Bhd (1) | 4 July 1980 Malaysia | RM2.00 | 73.32 | Provision of management services |
| KrisAssets Holdings Berhad (*under members' voluntary liquidation*) | 9 August 1975 Malaysia | RM520,977,218.00 | 46.56 | Dormant |
| Lagenda Sutera (M) Sdn Bhd (4) | 2 March 2007 Malaysia | RM1,050,000.00 | 73.32 | Hotelier |
| Lingame Company Limited | 29 April 1988 Hong Kong | HKD1,000,000.00 | 73.32 | Investment holding |
| Majestic Path Sdn Bhd (4) | 8 July 2014 Malaysia | RM2.00 | 73.32 | Investment holding |
| Megan Prestasi Sdn Bhd | 1 April 2013 Malaysia | RM5,272,502.00 | 73.32 | Investment holding |
| MiCasa Hotel Limited (9) | 28 October 1996 Myanmar | KYAT3,000,000.00 | 47.66 | Hotelier |
| Mid Valley City Sdn Bhd | 20 June 1983 Malaysia | RM100,000.00 | 73.32 | Management services or service provider |
| Mid Valley City Developments Sdn Bhd | 31 December 1974 Malaysia | RM6,133,750.00 | 73.32 | Property development |
| Mid Valley City Energy Sdn Bhd | 5 June 2006 Malaysia | RM2.00 | 73.32 | Selling and distribution of utilities |
| Mid Valley City Enterprise Sdn Bhd | 28 December 1966 Malaysia | RM250,000.00 | 73.32 | Hotelier |

## INFORMATION ON OUR COMPANY *(Cont'd)*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| Mid Valley City Gardens Sdn Bhd | 5 September 1989 Malaysia | RM100,000.00 | 73.32 | Management services or service provider |
| Mid Valley City Hotels Sdn Bhd | 20 December 1966 Malaysia | RM10,480,000.00 | 73.32 | Hotelier |
| Mid Valley City North Tower Sdn Bhd | 16 August 1982 Malaysia | RM4,500,000.00 | 73.32 | Property investment |
| Mid Valley City Property Services Sdn Bhd (10) | 24 December 2007 Malaysia | RM2.00 | 73.32 | Provision of buildings and maintenance services |
| Mid Valley City South Tower Sdn Bhd | 17 March 2004 Malaysia | RM100,000.00 | 73.32 | Property investment |
| Mid Valley City Southpoint Sdn Bhd | 20 August 2004 Malaysia | RM11,720,000.00 | 73.32 | Property investment |
| Murni Properties Sdn Bhd | 7 October 1980 Malaysia | RM1,500,000.00 | 73.32 | Property investment |
| MVC Centrepoint North Sdn Bhd | 30 November 2005 Malaysia | RM100,000.00 | 73.32 | Property investment |
| MVC Centrepoint South Sdn Bhd | 7 December 2005 Malaysia | RM1,600,000.00 | 73.32 | Property investment |
| MVC CyberManager Sdn Bhd | 19 September 2008 Malaysia | RM2.00 | 73.32 | Operation of MSC cyber centre in Mid Valley City |
| MVEC Exhibition and Event Services Sdn Bhd | 2 September 1985 Malaysia | RM2.00 | 73.32 | Provision of exhibition services |
| Nova Pesona Sdn Bhd (1) | 22 February 2003 Malaysia | RM3,250,001.00 | 73.32 | Property development |
| OPT Ventures Sdn Bhd (1) | 13 August 1996 Malaysia | RM5,533,500.00 | 51.32 | Property development and investment |
| Outline Avenue (M) Sdn Bhd (1) | 22 October 1991 Malaysia | RM4,000,000.00 | 65.67 | Property development |
| Pacific Land Sdn Bhd | 29 November 1980 Malaysia | RM2,500,002.00 | 73.32 | Investment holding |
| Pacific Land Pte Ltd (4) | 13 November 2009 Singapore | SGD1.00 | 73.32 | Investment holding |
| Pangkor Island Resort Sdn Bhd | 3 April 1969 Malaysia | RM2,250,000.00 | 73.32 | Hotelier |
| Pekeliling Land Sdn Bhd | 10 August 1982 Malaysia | RM1,000,000.00 | 73.32 | Property holding |

## INFORMATION ON OUR COMPANY *(Cont'd)*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| Pekeliling Property Sdn Bhd (*under members' voluntary liquidation*) | 10 August 1982 Malaysia | RM2.00 | 73.32 | Dormant |
| Penang Garden Sdn Bhd | 8 January 1974 Malaysia | RM250,000.00 | 73.32 | Property development and investment |
| Permata Efektif (M) Sdn Bhd [(1)] | 29 July 1992 Malaysia | RM7,066,540.00 | 73.32 | Property development |
| Plaza Permata Management Services Sdn Bhd | 9 April 1984 Malaysia | RM2.00 | 73.32 | Property management services |
| Prima Condominium Sdn Bhd | 29 November 1980 Malaysia | RM990,000.00 | 73.32 | Investment holding |
| Primanah Property Sdn Bhd | 13 July 1985 Malaysia | RM250,000.00 | 73.32 | Property development |
| Puncak Megah (M) Sdn Bhd | 27 October 1989 Malaysia | RM2.00 | 73.32 | Investment holding |
| Rapid Alpha Sdn Bhd | 10 August 2000 Malaysia | RM500,000.00 | 73.32 | Property investment |
| Reka Handal Sdn Bhd [(1)] | 5 April 1990 Malaysia | RM1,000,000.00 | 54.99 | Property development |
| Riraiance Enterprise Sdn Bhd | 18 June 1983 Malaysia | RM1,000,000.00 | 73.32 | Investment holding |
| Salient Glory City Sdn Bhd | 23 April 2007 Malaysia | RM3,460,002.00 | 73.32 | Hotelier and management related services |
| Southkey Megamall Sdn Bhd | 26 March 2012 Malaysia | RM15,232,500.00 | 51.32 | Property investment |
| St Giles Hotels (Asia) Limited [(11)] | 28 March 2011 Labuan | USD100,000.00 | 43.99 | Provision of hotel management services |
| Tanah Permata Sdn Bhd [(4)] | 13 September 1983 Malaysia | RM300,000.00 | 73.32 | Hotelier |
| Tan & Tan Developments Berhad | 19 October 1972 Malaysia | RM220,118,273.00 | 73.32 | Property development, provision of project management services and investment holding |
| Tan & Tan Realty Sdn Bhd [(1)] | 23 February 1982 Malaysia | RM11,760,012.00 | 58.66 | Property investment and provision of related services and operating of food court |

## INFORMATION ON OUR COMPANY *(Cont'd)*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| The Gardens Theatre Sdn Bhd | 1 March 2013 Malaysia | RM2.00 | 73.32 | Organiser and co-ordinator of stage performance |
| TTD Sdn Bhd [1] | 2 August 1984 Malaysia | RM57,158,000.00 | 73.32 | Hotelier |
| Verokey Sdn Bhd | 28 May 2009 Malaysia | RM2.00 | 73.32 | Property investment |
| Wilmer Link Limited [12] | 8 November 2011 British Virgin Islands | USD50,000.00 | 42.53 | Dormant |
| X-Speed Sdn Bhd | 6 October 1981 Malaysia | RM1,000,000.00 | 73.32 | Property investment |

*Notes:*

(1) *Held by Tan & Tan Developments Berhad*
(2) *Held by Pacific Land Sdn Bhd and TTD Sdn Bhd 35.0% and 20.0% respectively*
(3) *Held by Lingame Company Limited*
(4) *Held by Pacific Land Sdn Bhd*
(5) *Held by Megan Prestasi Sdn Bhd*
(6) *Held by Pacific Land Sdn Bhd and TTD Sdn Bhd 45.0% and 20.0% respectively*
(7) *Held by ICDC Holdings Sdn Bhd*
(8) *Held by IGB Project Management Services Sdn Bhd*
(9) *Held by Earning Edge Sdn Bhd*
(10) *Held by Mid Valley City Developments Sdn Bhd*
(11) *Held by Cititel Hotel Management Sdn Bhd*
(12) *Held by IGB International Ventures Sdn Bhd*

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| **Associated companies** | | | | |
| Aroma Laundry and Dry Cleaners Sdn Bhd [1] *(under members' voluntary liquidation)* | 18 November 1993 Malaysia | RM9,488,500.00 | 14.66 | Dormant |
| Black Pearl Limited [2] | 29 May 2013 Guernsey | GBP10,000.00 | 36.66 | Property investment |
| Blackfriars Limited [3] | 19 June 2007 Guernsey | GBP10,000.00 | 36.66 | Property investment |

| Company | Date / Country of incorporation | Issued and paid-up share capital | Effective equity interest (%) | Principal activities |
|---|---|---|---|---|
| Crystal Property Asia Company Limited [(4)] | 4 March 2014 Thailand | THB1,010,000,000.00 | 35.93 | Real estate project-development, construction and sale of residential properties |
| DMV Sdn Bhd [(5)] | 31 December 1987 Malaysia | RM19,850,000.00 | 28.19 | Property development |
| Elements Gym Sdn Bhd [(6)] | 10 March 2009 Malaysia | RM100,000.00 | 49.00 | Gym operations |
| Fawkner Centre Pty Ltd [(1)] | 4 July 2012 Australia | AUD1,000,000.00 | 28.59 | Property investment |
| G City Club Hotel Sdn Bhd [(6)] | 3 December 2009 Malaysia | RM100,000.00 | 49.00 | Hotel operations |
| Gleneagles Medical Centre (Kuala Lumpur) Sdn Bhd [(1)] (*under members' voluntary liquidation*) | 28 May 1990 Malaysia | RM7,000,000.00 | 22.00 | Dormant |
| Hampshire Properties Sdn Bhd [(1)] | 11 February 1991 Malaysia | RM7,750,000.00 | 36.66 | Property development and property investment |
| Hilltop International Success Incorporated [(7)] | 8 October 2013 British Virgin Islands | USD1.00 | 36.28 | Purchasing/leasing of aircrafts |
| HICOM Tan & Tan Sdn Bhd [(1)] | 25 June 1991 Malaysia | RM500,001.00 | 36.66 | Property development |
| Johan Kekal Sdn Bhd (*under members' voluntary liquidation*) | 8 June 1990 Malaysia | RM4,000,000.00 | 36.66 | Dormant |
| Jutanis Sdn Bhd [(1)] | 15 January 2010 Malaysia | RM1,056,000.00 | 32.99 | Property development |
| Kumpulan Sierramas (M) Sdn Bhd [(1)] | 10 August 1990 Malaysia | RM5,000,000.00 | 36.66 | Property development |
| Kundang Properties Sdn Bhd | 1 August 1990 Malaysia | RM15,000,000.00 | 36.66 | Property development |
| Merchant Firm Limited [(8)] | 17 October 2000 British Virgin Islands | USD4.00 | 36.28 | Investment holding |

| **Company** | **Date / Country of incorporation** | **Issued and paid-up share capital** | **Effective equity interest (%)** | **Principal activities** |
|---|---|---|---|---|
| New Commercial Investments Limited [9] | 27 September 1996 British Virgin Islands | GBP111,000.00 | 36.33 | Investment holding |
| Orion Corridor Sdn Bhd [7] | 20 December 2010 Malaysia | RM939,600.95 | 18.14 | Leasing of aircrafts |
| Pacific Land Company Limited [10] | 20 October 2009 Thailand | THB100,000.00 | 35.85 | Investment holding |
| Permata Alasan (M) Sdn Bhd [1] | 24 August 1992 Malaysia | RM4,550,000.00 | 36.66 | Property development and property investment |
| Ravencroft Investments Incorporated [11] | 2 June 1994 British Virgin Islands | GBP7,285,803.00 | 36.28 | Investment holding |
| Sierramas Landscape Services Sdn Bhd [12] *(under members' voluntary liquidation)* | 12 September 1995 Malaysia | RM100,000.00 | 36.66 | Dormant |
| St Giles Hotel Limited [11] | 1 August 1994 United Kingdom | GBP555,420.00 | 36.28 | Hotels and motels with restaurants |
| St Giles Hotel LLC [14] | 11 September 2009 United States of America | N/A[15] | 36.28 | Hotelier |
| St Giles Hotel, Inc [13] | 11 September 2009 United States of America | N/A[15] | 36.28 | Hotelier |
| St Giles Hotel (Heathrow) Limited [9] | 15 September 1999 United Kingdom | GBP111,000.00 | 36.33 | Hotelier |
| St Giles Hotel (Manila) Inc [7] | 8 August 2005 Philippines | PHP11,160,000.00 | 36.26 | Hotelier |
| Technoltic Engineering Sdn Bhd | 17 October 2001 Malaysia | RM750,000.00 | 29.33 | Servicing, maintenance and installation of elevators |
| Tentang Emas Sdn Bhd [1] | 9 November 1989 Malaysia | RM2,000,000.00 | 35.93 | Investment holding |

## INFORMATION ON OUR COMPANY *(Cont'd)*

*Notes:*

*(1) Held by Tan & Tan Developments Berhad*
*(2) Held by Verokey Sdn Bhd*
*(3) Held by Black Pearl Limited*
*(4) Held by Majestic Path Sdn Bhd*
*(5) Held by Tan & Tan Developments Berhad and IGB Corporation Berhad 25.63% and 12.82% respectively*
*(6) Held by Triple Hallmark Sdn Bhd*
*(7) Held by Merchant Firm Limited*
*(8) Held by Ravencroft Investments Incorporated*
*(9) Held by Pacific Land Sdn Bhd and TTD Sdn Bhd 31.53% and 18.02% respectively*
*(10) Held by Pacific Land Sdn Bhd*
*(11) Held by Pacific Land Sdn Bhd, Beswell Limited and TTD Sdn Bhd 27.72%, 7.65% and 14.11% respectively*
*(12) Held by Kumpulan Sierramas (M) Sdn Bhd*
*(13) Held by St Giles Hotel Limited*
*(14) Held by St Giles Hotels, Inc*
*(15) According to the corporate statutory laws for this type of legal form (private company with limited liability) in the United States of America, there is no requirement for authorised capital*

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## 6. PROFIT AND DIVIDEND RECORDS

Our profit and dividend record based on our audited consolidated financial statements for the FYE 31 January 2012, the FYE 31 January 2013 and the 11-months FPE 31 December 2013 and the unaudited consolidated financial statements for the 9-months FPE 31 October 2013 and the 9-months FPE 30 September 2014 are as follows:

| | Audited | | | Unaudited | |
|---|---|---|---|---|---|
| | FYE 31 January 2012[(1)] | FYE 31 January 2013[(2)] | 11-months FPE 31 December 2013[(3)] | 9-months FPE 31 October 2013[(1)] | 9-months FPE 30 September 2014[(4)] |
| | RM '000 | RM '000 | RM '000 | RM '000 | RM '000 |
| **Continuing operations** | | | | | |
| Revenue | 105,330 | 1,084,813 | 1,118,682 | 87,416 | 967,724 |
| Cost of sales | (82,225) | (426,055) | (477,148) | (43,706) | (424,179) |
| Gross profit | 23,105 | 658,758 | 641,534 | 43,710 | 543,545 |
| Other income | 1,035 | 47,599 | 33,141 | 688 | 49,305 |
| Administrative expenses | (23,388) | (275,448) | (232,153) | (17,830) | (183,362) |
| Other expenses | (1,999) | (4,514) | (18,204) | - | (52,049) |
| Other gains/(losses) | 2,896 | - | - | 1,524 | - |
| Operating profit | 1,649 | 426,395 | 424,318 | 28,092 | 357,439 |
| Finance income | 12,774 | 36,901 | 46,518 | 4,301 | 30,891 |
| Finance costs | (12,241) | (79,657) | (76,598) | (7,412) | (68,702) |
| Share of profit of an associate | 81,609 | 10,418 | 17,935 | 82,307 | 16,889 |
| Profit before taxation | 83,791 | 394,057 | 412,173 | 107,288 | 336,517 |
| Taxation | (13,035) | (154,650) | (102,280) | (11,263) | (79,163) |
| **Profit for the financial year / period from continuing operations** | **70,756** | **239,407** | **309,893** | **96,025** | **257,354** |
| Profit for the financial year / period from discontinuing / discontinued operations | 217,543 | 29,444 | 20,052 | 19,583 | - |
| **Profit for the financial year / period** | **288,299** | **268,851** | **329,945** | **115,608** | **257,354** |
| | | | | | |
| **Attributable to:** | | | | | |
| Equity holders of the Company | | | | | |
| - Continuing | 71,313 | 67,730 | 81,934 | 92,200 | 56,833 |
| - Discontinuing / discontinued | 214,707 | 31,616 | 20,052 | 19,583 | - |
| Profit after taxation and minority interest ("**PATAMI**") | 286,020 | 99,346 | 101,986 | 111,783 | 56,833 |
| Non-controlling interests | 2,279 | 169,505 | 227,959 | 3,825 | 200,521 |
| | **288,299** | **268,851** | **329,945** | **115,608** | **257,354** |
| | | | | | |
| **Earnings before interest, taxation, depreciation and amortisation** | 99,861 | 575,574 | 584,984 | 124,619 | 483,071 |
| | | | | | |
| **Weighted average number of ordinary shares in issue - basic / diluted ('000):** | | | | | |
| - Basic | 610,039 | 604,580 | 586,530 | 585,767 | 602,126 |
| - Diluted | 610,106 | 604,580 | 586,530 | 585,767 | 602,126 |
| | | | | | |
| **Basic/ Diluted EPS (sen):** | | | | | |
| - Continuing | 11.7 | 11.2 | 14.0 | 15.7 | 9.4 |
| - Discontinuing / discontinued | 35.2 | 5.2 | 3.4 | 3.3 | - |
| | | | | | |
| **Gross dividend per share (sen)** | 11.3 | - | 12.1[(5)] | - | - |
| | | | | | |
| Gross profit margin (%) | 21.9 | 60.7 | 57.3 | 50.0 | 56.2 |
| Net profit margin (PATAMI) (%) | 271.5 | 9.2 | 9.1 | 127.9 | 5.9 |

*Notes:*

(1) *The figures for FYE 31 January 2012 and 9-months FPE 31 October 2013 are not adjusted for the IGB Consolidation (as defined below).*

(2) *The figures have been restated following the IGB Consolidation (as defined and explained below).*

(3) *During 2013, our Company changed our financial year end from 31 January to 31 December resulting in the latest audited consolidated financial statements being made up for a period of eleven (11) months from 1 February to 31 December 2013.*

(4) *Being our Company's latest announced unaudited consolidated financial statements for the third quarter or 9-months FPE 30 September 2014, which was announced on 27 November 2014.*

(5) *Our Company distributed interim share dividends on 31 July 2013 and 27 March 2014 in respect of 11-months FPE 31 December 2013 from the treasury shares held by Goldis, on the basis of three (3) treasury shares for every one hundred (100) existing shares held in Goldis . Based on our Company's share price of RM1.99 on 31 July 2013 and RM2.03 on 27 March 2014 respectively, the total value of the interim share dividends is equivalent to a gross cash dividend of 12.06 sen per share.*

**Change in Financial Year End and IGB Consolidation (as defined below)**

In December 2013, our Company changed our financial year end from 31 January to 31 December. Subsequently IGB Corp, which was previously an associate of Goldis, was accounted for as a subsidiary and consolidated with our Group for the 11-months FPE 31 December 2013 upon adoption of FRS 10 "Consolidated Financial Statements" (the "**IGB Consolidation**"). Although our Group had less than 50% of the voting rights in IGB Corp, we had de facto control of IGB Corp, being the single largest shareholder. Together with a number of our Company's directors and their family members, our Company collectively have control over the voting rights in IGB Corp.

As a result of the change in our financial year end from 31 January to 31 December, our Group's audited consolidated financial statements for the FYE 31 December 2013 was only made up for a period of 11 months, from 1 February to 31 December 2013. On adoption of FRS 10 "Consolidated Financial Statements", the audited consolidated financial statements for FYE 31 January 2013 were also restated, taking into account the IGB Consolidation.

As there is no direct comparative financial statements prepared for the 9-months FPE 30 September 2014, the unaudited financial results for the 9-months FPE 31 October 2013 is used as an alternative comparative since it is for a 9 month period and reflects the results up to the third quarter of the previous financial year before the change in financial year end. The 9-months FPE 31 October 2013 was used because it is the only available 9-month financial period interim results announced in 2013. The change in the Group's financial year end was only effected in December 2013, after the aforesaid interim financial results was announced.

The audited consolidated financial statements for FYE 31 January 2012 presented above is the only available audited financial statements of our Company for the said financial year and does not take into account the IGB Consolidation.

**Unaudited 9-months FPE 30 September 2014**

Our Group recorded higher revenue and Profit After Taxation ("**PAT**") of RM967.7 million and RM257.4 million respectively in the 9-months FPE 30 September 2014 as compared to the revenue and PAT in the 9-months FPE 31 October 2013 of RM87.4 million and RM115.6 million, respectively. The increase in revenue of RM879.5 million was attributable to IGB Corp, while the remaining RM0.8 million increase was mainly contributed by the increase in revenue of our Group's waste water treatment services segment by 12.1% during the period.

The increase in PAT by RM141.8 million was attributable to IGB Corp of PAT of RM167.0 million but was offset in part by lower profit contribution from our Group's waste water treatment services segment and food and beverage segment by an aggregate of RM6.6 million. In addition the PAT in the previous financial period included a gain on disposal of business units amounting to RM19.6 million. There were no disposal of business units during this financial period.

For the 9-months FPE 30 September 2014, the major segments of our Group comprise property investment and management, hotel and property development which contributed 49.5%, 28.8% and 14.5% respectively to our Group's revenue.

Our Group's property investment and management segment registered higher revenue of RM478.7 million and segment results[1] of RM285.1 million for the 9-months FPE 30 September 2014 as compared to revenue and segment results of RM51.3 million and RM26.9 million respectively for the 9-months FPE 31 October 2013. The increase in revenue by RM427.4 million under this segment was attributable to IGB Corp amounting to RM428.2 million. This increase in revenue was offset by a RM0.8 million decrease in revenue mainly due to the lower rental received from business offices held by our subsidiary GTower Sdn Bhd ("**GTower**"). For the 9-months FPE 30 September 2014, the increase in segment results by RM258.2 million under this segment was attributable to IGB Corp amounting to RM259.1 million. This increase was offset by a RM0.9 million decrease due to the reasons noted above.

Our Group's hotel segment registered higher revenue of RM278.7 million and segment results of RM23.5 million for the 9-months FPE 30 September 2014 as compared to revenue and segment results of RM9.5 million and RM1.1 million for the 9-months FPE 31 October 2013. The increase in revenue by RM269.2 million under this segment was attributable to IGB Corp amounting to RM270.0 million. This increase in revenue was offset by a RM0.8 million decrease in revenue mainly due to the decrease in revenue from food and beverage. RM22.5 million of the increase in segment results for the period was attributable to IGB Corp. This increase was offset by a RM0.1 million decrease due to the same reasons noted above.

Our Group's property development segment, undertaken by IGB Corp, registered revenue of RM140.7 million and segment results of RM72.9 million for the 9-months FPE 30 September 2014. The revenue and segment results were mainly contributed by additional work completed for the G Residence and the Three28 Tun Razak service apartments. During the period, the G Residence and the Three28 Tun Razak had achieved unit sales of approximately 97% and 90%, respectively. There is no comparison for this segment for the 9-months FPE 31 October 2013 as Goldis did not separately classify this segment. Property development is undertaken by IGB Corp and was only classified as a segment due to the IGB Consolidation.

**<u>11-months FPE 31 December 2013</u>**

For the 11-months FPE 31 December 2013, our Group delivered a solid performance with revenue of RM1,118.7 million and PAT of RM329.9 million, which represent 3.1% and 22.7% growth compared to the revenue and PAT of the previous 12 months consolidated FYE 31 January 2013 of RM1,084.8 million and RM268.9 million, respectively. The increase was attributable to the higher revenue contribution from all our Group's major segments, which includes property investment and management, hotel and property development segments.

[1] *Segment results represent the operating profits of the identified business segments which includes the direct income and expenses attributable to the identified business segments.*

For the 11-months FPE 31 December 2014, the major segments of our Group comprise of property investment and management, hotel and property development which contributed 50.0%, 31.6% and 12.7%, respectively to our Group's revenue.

Although our Group's property investment and management segment's percentage contribution decreased by 0.5%, the quantum of the revenue and segment results of RM559.4 million and RM300.3 million, respectively increased compared to the previous financial year of RM548.1 million and RM294.5 million. The improvement in revenue and segment results was primarily due to an increase in occupancy rates of The Gardens Mall ("**TGM**") by 13.1%, arising from the introduction of several asset enhancement initiatives in TGM and Mid Valley Megamall ("**MVM**"), reconfiguration of junior anchor tenants in MVM and the creation of a lounge area in TGM.

Our Group's hotel segment registered revenue and segment results of RM353.0 million and RM91.5 million for the 11-months FPE 31 December 2013 as compared to the previous financial year of RM338.7 million and RM90.6 million respectively. This represents an increase in revenue and segment results of 4.2% and 1.0% respectively compared to the previous financial year. This improvement was mainly contributed by an increase in the average occupancy rates and average room rates of our Group's various hotels. The increase in the occupancy rates of The Gardens Hotel and Residences – St Giles Luxury Hotel and The Boulevard – St Giles Premier Hotel was primarily attributable to the introduction of the St Giles branding. During the financial year, there was also an increase in room inventory of our Group owing to the completion of the Micasa Yangon hotel expansion.

Our property development segment registered revenue and segment results of RM142.1 million and RM74.8 million for the 11-months FPE 31 December 2013 as compared to the previous financial year of RM114.3 million and RM62.6 million. The increase of 24.3% and 19.5% in revenue and segment results respectively was attributable to additional work completed for the G Residence and the Three28 Tun Razak service apartments. During the financial year, the G Residence and the Three28 Tun Razak had achieved unit sales of approximately 97% and 85% respectively.

**FYE 31 January 2013**

Our Group recorded higher revenue of RM1,084.8 million but lower PAT of RM268.9 million in FYE 31 January 2013 as compared to the revenue and PAT in FYE 31 January 2012 of RM105.3 million and RM288.3 million, respectively. RM992.0 million of the increase in revenue of RM979.5 million was attributable to IGB Corp but this was offset by a decrease in revenue of RM12.5 million. This was due to the lower revenue generated from the waste water services segment compared to the previous financial year.

For the FYE 31 January 2013, IGB Corp contributed RM169.6 million to our Group's PAT. The decrease in overall profit by RM189.0 million was due to lower profits generated from discontinued operations in FYE 31 January 2013. In addition, for the financial year, our Group's gains on disposal of Manax Limited, G City Club Hotel Sdn Bhd and Elements Gym Sdn Bhd for RM18.3 million was less than the gain on disposal of HOEPharma Holding Sdn Bhd of RM221.2 million in the previous financial year.

For the FYE 31 January 2013, the major segments of our Group comprise of property investment and management, hotel and property development which contributed 50.5%, 31.2% and 10.5% respectively to our Group's revenue.

Our Group's property investment and management segment registered higher revenue of RM548.1 million for the FYE 31 January 2013 as compared to revenue of RM32.1 million for the FYE 31 January 2012. The increase in segment revenue by RM498.4 million was attributable to IGB Corp while the remaining RM17.6 million increased was contributed primarily by the improvement in the occupancy rate of GTower by 10% during the financial year and higher rental rates. Prior to the IGB Consolidation, GTower is the only property investment segment for Goldis. GTower registered segment results of RM7.2 million for the FYE 31 January 2013 as compared to RM6.1 million for the previous financial year, the increase of which was due to the increase in occupancy rate. As a result of the IGB Consolidation, our Group's property investment and management segment results increased by RM288.4 million for the FYE 31 January 2013.

Our Group's hotel segment registered higher revenue and segment results in FYE 31 January 2013 of RM338.7 million and RM90.6 million, respectively as compared to FYE 31 January 2012 of RM12.2 million and RM2.2 million, respectively. For the FYE 31 January 2013, IGB Corp contributed RM324.7 million in segment revenue and RM88.4 million in segment results. The remaining RM1.8 million in segment revenue and segment results was attributable to the food and beverage segment of Goldis.

Our Group's property development segment registered revenue of RM114.3 million and segment results of RM62.6 million for the FYE 31 January 2013, which were mainly contributed by income generated from the sales of G Residence and Garden Manor. There is no comparison for this segment for the FYE 31 January 2012 as Goldis did not separately classify this segment. Property development is undertaken by IGB Corp and was only classified as a segment due to the IGB Consolidation.

**FYE 31 January 2012**

For the FYE 31 January 2012, our Group registered higher revenue and PAT of RM105.3 million and RM288.3 million respectively as compared to the revenue and PAT for the FYE 31 January 2011 of RM101.9 million and RM26.5 million, respectively. This represents a 3.3% increase in revenue and a significant increase in PAT by RM261.8 million.

This significant increase in PAT was mainly contributed by the gain on disposal of HOEPharma Holding Sdn Bhd of RM221.2 million and increase in the share of associates' profit from IGB Corp by RM24.0 million. The remaining increase in PAT of RM16.6 million for the FYE 31 January 2012 compared to FYE 31 January 2011 is due to increased contributions from our Group's investment holdings and waste water treatment services.

For the FYE 31 January 2012, the major segments of our Group comprise of property investment and management, hotel, waste water treatment services and information & communication technology ("**ICT**") which contributed 30.5%, 11.5%, 41.7% and 15.0%, respectively to our Group's revenue.

Our Group's property investment and management segment registered higher revenue and segment results of RM32.1 million and RM6.1 million respectively for the financial year as compared to the segment revenue and segment loss of RM14.5 million and RM3.3 million respectively for the previous financial year. The increase in revenue and segment results was mainly attributable to the increase in occupancy rate in GTower office by approximately 35% during the financial year. The significant increase in occupancy rate is due to GTower offices recent opening in 2010 and our efforts in building brand awareness to secure additional tenants.

For the FYE 31 January 2012, our Group's hotel segment registered higher revenue of RM12.2 million and segment loss of RM2.2 million as compared to revenue and segment loss of RM5.6 million and RM11.8 million respectively for the previous financial year. The growth in revenue for our hotel segment was mainly attributable to the increase in the occupancy rate of our GTower Hotel to 76% for the FYE 31 January 2012 from 30% during the preceding financial year, coupled with an increase in our average room rates by 16% for the FYE 31 January 2012 compared to the preceding financial year. The significant increase in the occupancy rate during the financial year is due to GTower Hotel's recent opening in 2010 and our efforts in building awareness and market acceptance as a hotel destination.

Our waste water treatment services segment revenue is one of the main contributing segment for the FYE 31 January 2012. It registered higher revenue of RM43.9 million for the FYE 31 January 2012 as compared to revenue of RM6.8 million for the FYE 31 January 2011 while the segment results remained at RM2.2 million for both years. The higher revenue for the FYE 31 January 2012 was attributable to the adoption of IC Interpretation 12 "Service Concession Arrangements" which resulted in a contribution of RM36.9 million to our revenue from our waste water treatment services segment.

Another main contributing segment of our Group for the FYE 31 January 2012 is the ICT segment but subsequently this segment was classified into the "others segment" following the IGB Consolidation. For the FYE 31 January 2012, our Group's ICT segment has registered higher revenue of RM15.8 million and segment results of RM3.2 million compared to revenue and segment results of RM12.6 million and RM2.2 million for the FYE 31 January 2011. The growth in revenue for our ICT segment was mainly attributable to the strong demand for broadband connectivity and Data Center services from corporate customers, IT Projects and other value added services.

## 7. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of Goldis Shares traded on the Main Market of Bursa Securities from January 2014 up to December 2014 are as follows:

| Month | High | Low |
|---|---|---|
| | RM | RM |
| **2014** | | |
| January | 2.05 | 1.98 |
| February | 2.15 | 1.99 |
| March | 2.09 | 2.01 |
| April | 2.22 | 2.03 |
| May | 2.30 | 2.05 |
| June | 2.42 | 2.10 |
| July | 2.51 | 2.21 |
| August | 2.50 | 2.34 |
| September | 2.46 | 2.33 |
| October | 2.55 | 2.20 |
| November | 2.86 | 2.55 |
| December | 2.70 | 2.20 |

| | |
|---|---|
| Last transacted market price of Goldis Shares on the last trading day immediately prior to the date of the announcement of the Rights Issue of RCPS on 13 October 2014 | RM2.32 |
| Last transacted market price on Bursa Securities on the LPD | RM2.26 |
| Last transacted market price of Goldis Shares on 15 January 2015, being the last trading day prior to the ex-date for the Rights Issue of RCPS | RM2.32 |

*(Source: Bloomberg Finance L.P. as at the LPD)*

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**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2013 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON**

pwc

The Board of Directors
Goldis Berhad
Suite 28-03, Level 28
GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

13 January 2015

PwC/SG/TCK/nad/0171C

Dear Sirs,

**Report on the Pro Forma Consolidated Statements of Financial Position**

1 We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of Goldis Berhad ("Goldis" or "the Company") and its subsidiaries ("the Group") as at 31 December 2013. The Pro Forma Consolidated Statements of Financial Position which is set out in the Appendix (which we have stamped for purposes of identification), have been compiled by the Directors of the Company for inclusion in the Abridged Prospectus to be dated 20 January 2015 in connection with the renounceable rights issue of up to 457.9 million new redeemable convertible cumulative preference shares of RM0.01 each in Goldis Berhad ("RCPS"), convertible into ordinary shares of RM1.00 each in Goldis ("Goldis Shares") ("the Rights Issue").

2 The applicable criteria on the basis of which the Directors have compiled the Pro Forma Consolidated Statements of Financial Position are described in Note 1 of the Appendix and are specified in Appendix 4 of the *Prospectus Guidelines – Abridged Prospectus* issued by the Securities Commission.

3 The Pro Forma Consolidated Statements of Financial Position have been compiled by the Directors, for illustrative purposes only, to show the effects of the Completed Events, the Rights Issue , and the Assumption (as set out in Note 2, 3 and 4 of the Appendix respectively) on the audited Consolidated Statement of Financial Position of the Group as at 31 December 2013 had the Completed Events, the Rights Issue and the Assumption been effected on that date. As part of this process, information about the Consolidated Statement of Financial Position has been extracted by the Directors from the Company's audited Consolidated Statement of Financial Position as at 31 December 2013.

*PricewaterhouseCoopers (AF 1146), Chartered Accountants,*
*Level 10, 1 Sentral, Jalan Travers, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia*
*T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my*

pwc

**The Board of Directors**
**Goldis Berhad**
**PwC/SG/TCK/nad/0171C**
**13 January 2015**

**The Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position**

4 The Directors are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis set out in Note 1 of the Appendix and in accordance with the requirements of the *Prospectus Guidelines – Abridged Prospectus.*

**Our Responsibilities**

5 Our responsibility is to express an opinion as required by the Prospectus Guidelines, about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis set out in Note 1 of the Appendix.

6 We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3420 *"Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus"*, issued by the Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis set out in Note 1 of the Appendix.

7 For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

8 The purpose of the Pro Forma Consolidated Statements of Financial Position included in the Abridged Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at that date would have been as presented.

pwc

**The Board of Directors**
**Goldis Berhad**
**PwC/SG/TCK/nad/0171C**
**13 January 2015**

**Our Responsibilities (continued)**

9 A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position have been compiled in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Consolidated Statements of Financial Position provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related Pro Forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Consolidated Statements of Financial Position reflect the proper application of those adjustments to the unadjusted financial information.

10 The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company and its subsidiaries, the event or transaction in respect of which the Pro Forma Consolidated Statements of Financial Position have been compiled, and other relevant engagement circumstances. The engagement also involved evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

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

**Opinion**

12 In our opinion, the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, on the basis set out in Note 1 of the Appendix.

pwc

**The Board of Directors**
**Goldis Berhad**
**PwC/SG/TCK/nad/0171C**
**13 January 2015**

**Other Matter**

13 This report is issued for the sole purpose of inclusion in the Abridged Prospectus in connection with the Rights Issue and should not be used or relied upon for any other purpose. We accept no duty of responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any transaction other than the Rights Issue .

Yours faithfully,

PricewaterhouseCoopers
(No. AF: 1146)
Chartered Accountants

Shirley Goh
(No. 1778/08/16(J))
Chartered Accountant

**Appendix**

**GOLDIS BERHAD**
**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

The Pro Forma Consolidated Statements of Financial Position of Goldis Berhad ("Goldis" or "the Company") as set out below have been prepared solely for illustrative purposes to show the effects on the audited Consolidated Statement of Financial Position of Goldis Berhad and its subsidiaries ("the Group") as at 31 December 2013 had the Completed Events, the Rights Issue and the Assumption as set out in Notes 2, 3 and 4 respectively, have been effected on that date.

**(A1) Minimum Subscription Scenario**

| | | Completed Events | The Rights Issue | Assumption |
|---|---|---|---|---|
| | Audited as at 31.12.2013 | Pro Forma I After Completed Events | Pro Forma II After Pro Forma I and the Rights Issue | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 2,356,844 | 2,356,844 | 2,356,844 | 2,356,844 |
| Land held for property development | 220,363 | 220,363 | 220,363 | 220,363 |
| Investment properties | 2,477,331 | 2,477,331 | 2,477,331 | 2,477,331 |
| Long term prepaid lease | 3,697 | 3,697 | 3,697 | 3,697 |
| Intangibles assets | 19,720 | 19,720 | 19,720 | 19,720 |
| Biological assets | 460 | 460 | 460 | 460 |
| Associates | 390,598 | 390,598 | 390,598 | 390,598 |
| Available-for-sale financial assets | 9,857 | 9,857 | 9,857 | 9,857 |
| Concession receivables | 57,703 | 57,703 | 57,703 | 57,703 |
| Deferred tax assets | 1,649 | 1,649 | 1,649 | 1,649 |
| Deposits, cash and bank balances | 95,000 | 95,000 | 95,000 | 95,000 |
| | 5,633,222 | 5,633,222 | 5,633,222 | 5,633,222 |
| CURRENT ASSETS | | | | |
| Property development costs | 297,916 | 297,916 | 297,916 | 297,916 |
| Inventories | 83,796 | 83,796 | 83,796 | 83,796 |
| Available-for-sale financial assets | 49,914 | 49,914 | 49,914 | 49,914 |
| Financial assets at fair value through profit or loss | 16,927 | 16,927 | 16,927 | 16,927 |
| Concession receivables | 6,198 | 6,198 | 6,198 | 6,198 |
| Amount owing from associates | 86,758 | 86,758 | 86,758 | 86,758 |
| Amount owing from a related company | 22 | 22 | 22 | 22 |
| Trade and other receivables | 231,413 | 231,413 | 231,413 | 231,413 |
| Tax Recoverable | 5,048 | 5,048 | 5,048 | 5,048 |
| Cash held under Housing Development Accounts | 32,984 | 32,984 | 32,984 | 32,984 |
| Deposits, cash and bank balances | 1,057,170 | 971,898 | 970,598 | 970,598 |
| | 1,868,146 | 1,782,874 | 1,781,574 | 1,781,574 |
| TOTAL ASSETS | 7,501,368 | 7,416,096 | 7,414,796 | 7,414,796 |

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**Appendix**

**GOLDIS BERHAD**
**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

**(A1) Minimum Subscription Scenario (continued)**

| | | Completed Events | The Rights Issue | Assumption |
|---|---|---|---|---|
| | Audited as at 31.12.2013 | Pro Forma I After Completed Events | Pro Forma II After Pro Forma I and the Rights Issue | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **LIABILITIES AND EQUITY** | | | | |
| **CURRENT LIABILITIES** | | | | |
| Trade payables and other payables | 496,487 | 496,487 | 496,487 | 496,487 |
| Amount owing to associates | 4,107 | 4,107 | 4,107 | 4,107 |
| Current tax liabilities | 69,802 | 69,802 | 69,802 | 69,802 |
| Hire purchase and finance lease payables | 75 | 75 | 75 | 75 |
| Interest bearing bank borrowings | 263,288 | 1,827,212 | 1,427,212 | 1,427,212 |
| Redeemable convertible preference shares | - | - | 11,908 | - |
| | 833,759 | 2,397,683 | 2,009,591 | 1,997,683 |
| **NON-CURRENT LIABILITIES** | | | | |
| Trade and other payables | 73,405 | 73,405 | 73,405 | 73,405 |
| Deferred tax liabilities | 276,572 | 276,572 | 279,716 | 276,572 |
| Hire purchase and finance lease payables | 194 | 194 | 194 | 194 |
| Interest bearing bank borrowings | 1,484,909 | 1,484,909 | 1,484,909 | 1,484,909 |
| Redeemable convertible preference shares | - | - | 61,303 | - |
| | 1,835,080 | 1,835,080 | 1,899,527 | 1,835,080 |
| **TOTAL LIABILITIES** | 2,668,839 | 4,232,763 | 3,909,118 | 3,832,763 |
| **EQUITY** | | | | |
| Share capital | 610,494 | 610,494 | 610,494 | 785,933 |
| Share premium | 67,765 | 32,340 | 32,340 | 255,601 |
| Redeemable convertible preference shares | - | - | 322,345 | - |
| Treasury shares | (41,147) | (5,722) | (5,722) | (5,722) |
| Reserves | 1,092,957 | 1,293,340 | 1,293,340 | 1,293,340 |
| | 1,730,069 | 1,930,452 | 2,252,797 | 2,329,152 |
| Non-controlling interests | 3,102,460 | 1,252,881 | 1,252,881 | 1,252,881 |
| | 4,832,529 | 3,183,333 | 3,505,678 | 3,582,033 |
| **TOTAL LIABILITIES AND EQUITY** | 7,501,368 | 7,416,096 | 7,414,796 | 7,414,796 |
| No. of Goldis shares in issue ('000) | 589,940 | 607,636 | 607,636 | 783,075 |
| Net assets attributable to equity holders of the Company per share (RM) | 2.93 | 3.18 | 3.71 | 2.97 |

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PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**
**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

**(A2) Maximum Subscription Scenario**

| | | Completed Events | The Rights Issue | Assumption |
|---|---|---|---|---|
| | Audited as at 31.12.2013 | Pro Forma I After Completed Events | Pro Forma II After Pro Forma I and the Rights Issue | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **ASSETS** | | | | |
| **NON-CURRENT ASSETS** | | | | |
| Property, plant and equipment | 2,356,844 | 2,356,844 | 2,356,844 | 2,356,844 |
| Land held for property development | 220,363 | 220,363 | 220,363 | 220,363 |
| Investment properties | 2,477,331 | 2,477,331 | 2,477,331 | 2,477,331 |
| Long term prepaid lease | 3,697 | 3,697 | 3,697 | 3,697 |
| Intangibles assets | 19,720 | 19,720 | 19,720 | 19,720 |
| Biological assets | 460 | 460 | 460 | 460 |
| Associates | 390,598 | 390,598 | 390,598 | 390,598 |
| Available-for-sale financial assets | 9,857 | 9,857 | 9,857 | 9,857 |
| Concession receivables | 57,703 | 57,703 | 57,703 | 57,703 |
| Deferred tax assets | 1,649 | 1,649 | 1,649 | 1,649 |
| Deposits, cash and bank balances | 95,000 | 95,000 | 95,000 | 95,000 |
| | 5,633,222 | 5,633,222 | 5,633,222 | 5,633,222 |
| **CURRENT ASSETS** | | | | |
| Property development costs | 297,916 | 297,916 | 297,916 | 297,916 |
| Inventories | 83,796 | 83,796 | 83,796 | 83,796 |
| Available-for-sale financial assets | 49,914 | 49,914 | 49,914 | 49,914 |
| Financial assets at fair value through profit or loss | 16,927 | 16,927 | 16,927 | 16,927 |
| Concession receivables | 6,198 | 6,198 | 6,198 | 6,198 |
| Amount owing from associates | 86,758 | 86,758 | 86,758 | 86,758 |
| Amount owing from a related company | 22 | 22 | 22 | 22 |
| Trade and other receivables | 231,413 | 231,413 | 231,413 | 231,413 |
| Tax Recoverable | 5,048 | 5,048 | 5,048 | 5,048 |
| Cash held under Housing Development Accounts | 32,984 | 32,984 | 32,984 | 32,984 |
| Deposits, cash and bank balances | 1,057,170 | 971,898 | 970,598 | 970,598 |
| | 1,868,146 | 1,782,874 | 1,781,574 | 1,781,574 |
| **TOTAL ASSETS** | 7,501,368 | 7,416,096 | 7,414,796 | 7,414,796 |

3

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 DECEMBER 2013 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON *(Cont'd)***

**Appendix**

**GOLDIS BERHAD**
**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

**(A2) Maximum Subscription Scenario (continued)**

| | | Completed Events | The Rights Issue | Assumption |
|---|---|---|---|---|
| | Audited as at 31.12.2013 | Pro Forma I After Completed Events | Pro Forma II After Pro Forma I and the Rights Issue | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **LIABILITIES AND EQUITY** | | | | |
| **CURRENT LIABILITIES** | | | | |
| Trade payables and other payables | 496,487 | 496,487 | 496,487 | 496,487 |
| Amount owing to associates | 4,107 | 4,107 | 4,107 | 4,107 |
| Current tax liabilities | 69,802 | 69,802 | 69,802 | 69,802 |
| Hire purchase and finance lease payables | 75 | 75 | 75 | 75 |
| Interest bearing bank borrowings | 263,288 | 1,827,212 | 1,371,485 | 1,371,485 |
| Redeemable convertible preference shares | - | - | 13,578 | - |
| | 833,759 | 2,397,683 | 1,955,534 | 1,941,956 |
| **NON-CURRENT LIABILITIES** | | | | |
| Trade and other payables | 73,405 | 73,405 | 73,405 | 73,405 |
| Deferred tax liabilities | 276,572 | 276,572 | 280,146 | 276,572 |
| Hire purchase and finance lease payables | 194 | 194 | 194 | 194 |
| Interest bearing bank borrowings | 1,484,909 | 1,484,909 | 1,484,909 | 1,484,909 |
| Redeemable convertible preference shares | - | - | 69,866 | - |
| | 1,835,080 | 1,835,080 | 1,908,520 | 1,835,080 |
| **TOTAL LIABILITIES** | 2,668,839 | 4,232,763 | 3,864,054 | 3,777,036 |
| **EQUITY** | | | | |
| Share capital | 610,494 | 610,494 | 610,494 | 810,374 |
| Share premium | 67,765 | 32,340 | 32,340 | 286,887 |
| Redeemable convertible preference shares | - | - | 367,409 | - |
| Treasury shares | (41,147) | (5,722) | (5,722) | (5,722) |
| Reserves | 1,092,957 | 1,293,340 | 1,293,340 | 1,293,340 |
| | 1,730,069 | 1,930,452 | 2,297,861 | 2,384,879 |
| Non-controlling interests | 3,102,460 | 1,252,881 | 1,252,881 | 1,252,881 |
| | 4,832,529 | 3,183,333 | 3,550,742 | 3,637,760 |
| **TOTAL LIABILITIES AND EQUITY** | 7,501,368 | 7,416,096 | 7,414,796 | 7,414,796 |
| No. of Goldis shares in issue ('000) | 589,940 | 607,636 | 607,636 | 807,516 |
| Net assets attributable to equity holders of the Company per share (RM) | 2.93 | 3.18 | 3.78 | 2.95 |

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PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

**1 Basis of preparation**

1.1 The Pro Forma Consolidated Statements of Financial Position of Goldis have been prepared for illustrative purposes based on the audited Consolidated Statement of Financial Position of Goldis as at 31 December 2013 had the Completed Events, the Rights Issue and the Assumption been effected on that date.

The Pro Forma Consolidated Statements of Financial Position of Goldis have been prepared based on the accounting policies and bases consistent with those normally adopted by Goldis in the preparation of its audited consolidated financial statements for the financial period ended 31 December 2013 including the adoption of the following new accounting policies:

**Compound financial instruments**

Compound financial instruments issued by the group comprise preference shares that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in the proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

The audited Consolidated Statement of Financial Position of Goldis as at 31 December 2013 has been extracted from the audited consolidated financial statements of Goldis for the financial period ended 31 December 2013.

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

## 2 Completed Events

### 2.1 Pro Forma I – Completed events after financial period ended 31 December 2013 incorporates an interim dividend declared by Goldis, the repurchase by IGB Corporation Berhad ("IGB") of its own ordinary share capital, additional IGB shares acquired by Goldis and Goldis acquisition of an additional 40.69% equity interest in IGB Corporation Berhad ("Goldis Acquisition")

2.1.1 On 27 February 2014, the Directors declared an interim dividend in respect of the financial period ended 31 December 2013 by way of distribution of tax exempt share dividend on the basis of three (3) treasury shares for every one hundred (100) existing shares of RM1.00 each held in Goldis. The share dividend involved the distribution of 17,695,933 treasury shares on 14 March 2014, amounting to RM35,425,180 debited against the share premium account of the Company.

2.1.2 On 23 July 2014, Goldis had acquired 6,000,000 ordinary shares of RM0.50 each representing approximately 0.45% of the issued and paid-up share capital of IGB for a cash consideration of RM17,272,860.

2.1.3 Subsequent to 31 December 2013 and up to 16 December 2014, IGB repurchased 23,463,500 of its ordinary share capital from the open market for a cash consideration of RM63,648,867 and held as treasury shares.

2.1.4 On 22 October 2014, Goldis announced that the Conditional Take-Over by Goldis to acquire all of the remaining shares in IGB which are not already owned by Goldis has become unconditional.

2.1.5 The purchase consideration for the additional equity interest of 40.69% in IGB amounted to RM1,563.9 million was satisfied wholly in cash and was funded entirely by bank borrowings, inclusive of RM0.3 million transaction costs on borrowings. The estimated expenses in relation to the Goldis Acquisition of approximately RM4.1 million was debited against reserves.

2.1.6 The Goldis Acquisition of IGB shares currently held by Multistock Sdn Bhd (a wholly owned subsidiary of Goldis), as part of the Goldis Acquisition was funded by internally generated funds amounting to RM58.8 million. This intragroup transaction had no impact on the Pro Forma Consolidated Statements of Financial Position.

2.1.7 Subsequent to the completed events set out in 2.1.2, 2.1.3, 2.1.4 and 2.15 above, Goldis effective equity interest in IGB increased to 73.32%. The accretion in equity interest is accounted for as a transaction with non-controlling interest. The difference between the consideration paid and carrying value of net assets of IGB of RM200.4 million is recognised in equity.

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

**3 The Rights Issue**

**3.1 Pro Forma II - Rights Issue**

3.1.1 Pro Forma II incorporates the effects of Pro Forma I and the Rights Issue, wherein, Goldis undertakes a renounceable rights issue of up to 457.9 million new redeemable convertible cumulative preference shares of RM0.01 each in Goldis ("RCPS"), convertible into ordinary shares of RM1.00 each in Goldis ("Goldis Shares") ("Rights Issue").

3.1.2 The proceeds of the Rights Issue is to partially refinance the borrowings obtained in connection with the acquisition of an additional 40.69% equity interest in IGB amounting to RM1,564.2 million.

The Rights Issue is illustrated as follows:

(a) <u>**Minimum Subscription Scenario**</u>
Minimum Subscription Scenario assumes a minimum gross proceed of RM400.00 million (**"Minimum Subscription Level"**).

The Rights Issue is undertaken on a Minimum Subscription Level, in accordance with an undertaking provided by certain shareholders of Goldis.

(b) <u>**Maximum Subscription Scenario**</u>
Maximum Subscription Scenario assumes that all shareholders subscribe in full for their respective entitlements under the Rights Issue . The entitlement basis for the Rights Issue of RCPS has been fixed at three (3) RCPS for every four (4) existing Goldis Shares held as at the entitlement date of 5.00pm, 20 January 2014 to raise a total of RM455.7 million based on Goldis' issued and paid up share capital as at 16 December 2014 of 607,636,036 Goldis Shares (excluding treasury shares).

3.1.3 On issuance of RCPS, the fair value of the RCPS is determined and allocated into its liability and equity components, as the RCPS are accounted for as a compound instrument.

3.1.4 The liability component is initially determined at the fair value of RM73.5 million and RM83.7 million respectively for the scenarios described in 3.1.2 (a) and (b) above.

3.1.5 The equity component of the RCPS represents the difference between the fair value of the RCPS instrument as a whole and the fair value of the liability component of the RCPS amounting to RM326.5 million and RM372.0 million respectively for the scenarios described in 3.1.2 (a) and (b) above.

3.1.6 Deferred tax liability on the compound financial instrument of RM3.2 million and RM3.6 million respectively for the scenarios described in 3.1.2 (a) and (b) above is measured using the applicable statutory tax rate that are expected to apply to the period when the liability is settled and charged directly to the carrying amount of the equity component.

3.1.7 Estimated expenses of the Rights Issue are allocated to the equity and liability components of the RCPS amounting to RM1.0 million and RM0.3 million respectively for both the scenarios described in 3.1.2 (a) and (b) above.

PRICEWATERHOUSECOOPERS
KUALA LUMPUR
for identification only
Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

**3 The Rights Issue (continued)**

**3.1 Pro Forma II - Rights Issue (continued)**

3.1.8 The Rights Issue is renounceable in full or in part. Accordingly, Goldis' shareholders can subscribe for and/or renounce their entitlements to the RCPS in full or in part.

3.1.9 The terms of the RCPS are set out as follows:

| No | Terms | Remarks |
|---|---|---|
| 1 | Issue Price | RM1.00 per RCPS |
| 2 | Par value | RM0.01 per RCPS |
| 3 | Ranking of RCPS | RCPS ranks *pari passu* among themselves, and will rank ahead in regards to payment of dividends in all classes of shares of Goldis |
| 4 | Issue amount | Minimum Subscription Scenario - RM400.0 million<br>Maximum Subscription Scenario – RM455.7 million |
| 5 | Conversion price | The 5-day volume weighted average market price ("VWAMP") of Goldis Shares up to and including 22 December 2014 of RM2.28. |
| 6 | Conversion right | Convertible into new ordinary shares of Goldis at a fixed conversion price, at the option of the holder |
| 7 | Maturity date | Five (5) years from the date of issuance. |
| 8 | Dividend rate | Cumulative preferential dividend rate as follows:<br>Year 1 to Year 3 – 4% per annum<br>Year 4 – 4.5% per annum<br>Year 5 – 5% per annum |
| 9 | Dividend payment frequency | Semi-annual basis, subject to availability of distributable profits |
| 10 | Exercise period of conversion right | Subject to the requirements for redemption, the period commencing from the date of listing of the RCPS up to and including the Maturity Date |
| 11 | Redemption | Goldis has an option to redeem from year 3 onwards up to the maturity date. Any RCPS not redeemed or converted on the Maturity Date shall be automatically converted into new ordinary shares of Goldis |

**4 The Assumption**

**4.1 Pro Forma III – After Pro Forma II and assuming full conversion of the RCPS**

4.1.1 Pro Forma III incorporates the cumulative effects of Pro Forma II and the effects of the assumed full conversion of the RCPS described in Note 3.1 above. The full conversion of the RCPS results in a transfer from the liability and equity component of the RCPS together with the deferred tax liability of RM398.7 million or RM454.4 million to the Share Capital and Share Premium of the Company, respectively for the scenarios described in 3.1.2 (a) and (b) above. No gain or loss is recognised on conversion of the RCPS.

4.1.2 The conversion price of the RCPS to be issued pursuant to the Rights Issue of RCPS has been fixed at RM2.28 per RCPS based on the 5-day volume weighted average market price of Goldis Shares up to and including 22 December 2014.

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

**4 The Assumption (continued)**

**4.2 Assuming full redemption of the RCPS**

4.2.1 The full redemption of the RCPS results in a settlement of the liability component of RM73.5 million and RM83.7 million in cash respectively for the scenario described in 3.1.2 (a) and (b) above and reversal of the equity component of the RCPS. There is no material impact to the Consolidated Reserves assuming full redemption of the RCPS on the same date.

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

5 **Share capital and reserves**

The summary of adjustments made in total Equity, as shown in Pro Forma I, Pro Forma II, Pro Forma III is as follows:

**(A1) Minimum Subscription Scenario**

| | Audited as at 31.12.2013 | Completed Events | Pro Forma I After Completed Events | Rights Issue | Pro Forma II After Pro Forma I and the Rights Issue | Full conversion of the RPCS | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
|---|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **EQUITY** | | | | | | | |
| Share capital | 610,494 | - | 610,494 | - | 610,494 | 175,439 | 785,933 |
| Share premium | 67,765 | (35,425) | 32,340 | - | 32,340 | 223,261 | 255,601 |
| Redeemable convertible preference shares | - | - | - | 322,345 | 322,345 | (322,345) | - |
| Treasury shares | (41,147) | 35,425 | (5,722) | - | (5,722) | - | (5,722) |
| Reserves | 1,092,957 | 200,383 | 1,293,340 | - | 1,293,340 | - | 1,293,340 |
| | 1,730,069 | 200,383 | 1,930,452 | 322,345 | 2,252,797 | 76,355 | 2,329,152 |
| Non-controlling interests | 3,102,460 | (1,849,579) | 1,252,881 | - | 1,252,881 | - | 1,252,881 |
| Total Equity | 4,832,529 | (1,649,196) | 3,183,333 | 322,345 | 3,505,678 | 76,355 | 3,582,033 |

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

Appendix

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

5 **Share capital and reserves (continued)**

The summary of adjustments made in total Equity, as shown in Pro Forma I, Pro Forma II, Pro Forma III is as follows (continued):

**(A2) Maximum Subscription Scenario**

| | Audited as at 31.12.2013 | Completed Events | Pro Forma I After Completed Events | Rights Issue | Pro Forma II After Pro Forma I and the Rights Issue | Full conversion of the RPCS | Pro Forma III After Pro Forma II and assuming full conversion of the RCPS |
|---|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **EQUITY** | | | | | | | |
| Share capital | 610,494 | - | 610,494 | - | 610,494 | 199,880 | 810,374 |
| Share premium | 67,765 | (35,425) | 32,340 | - | 32,340 | 254,547 | 286,887 |
| Redeemable convertible preference shares | - | - | - | 367,409 | 367,409 | (367,409) | - |
| Treasury shares | (41,147) | 35,425 | (5,722) | - | (5,722) | - | (5,722) |
| Reserves | 1,092,957 | 200,383 | 1,293,340 | - | 1,293,340 | - | 1,293,340 |
| | 1,730,069 | 200,383 | 1,930,452 | 367,409 | 2,297,861 | 87,018 | 2,384,879 |
| Non-controlling interests | 3,102,460 | (1,849,579) | 1,252,881 | - | 1,252,881 | - | 1,252,881 |
| Total Equity | 4,832,529 | (1,649,196) | 3,183,333 | 367,409 | 3,550,742 | 87,018 | 3,637,760 |

PRICEWATERHOUSECOOPERS KUALA LUMPUR for identification only Chartered Accountants

**Appendix**

**GOLDIS BERHAD**

**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)**

**APPROVAL BY THE BOARD OF DIRECTORS**

Approved and adopted by the Board of Directors of GOLDIS Berhad in accordance with a resolution dated 13 October 2014.

Tan Lei Cheng
DIRECTOR
GOLDIS Berhad

PRICEWATERHOUSECOOPERS
KUALA LUMPUR
for identification only
Chartered Accountants

GOLDIS BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

Certified True Copy

PricewaterhouseCoopers
(No. AF: 1146)
Chartered Accountants

Shirley Goh
(No. 1778/08/16(J))
Chartered Accountant

0131A4/fm

## GOLDIS BERHAD
(Incorporated in Malaysia)

## REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

CONTENTS

## GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

The Directors are pleased to submit their report to the members together with the audited financial statements of the Group and of the Company for the financial period of 11 months from 1 February 2013 to 31 December 2013 ('financial period ended 31 December 2013').

### PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of the Group mainly consist of property development, property investment and management, owner and operator of malls, hotel operations, constructions, information and communication technology services, provision of engineering services for water treatment plants and related services, aquaculture, investment holding and management of real estate investment trust.

There have been no significant changes in the nature of these activities during the financial period other than the disposal of mobile communication technology provider operation during the financial period.

### FINANCIAL RESULTS

| | Group RM'000 | Company RM'000 |
|---|---|---|
| Profit for the financial period | 329,945 | 70,454 |
| Attributable to: | | |
| Owners of the parent | 101,986 | 70,454 |
| Non-controlling interests | 227,959 | - |
| Profit for the financial period | 329,945 | 70,454 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

### DIVIDENDS

On 3 July 2013, the Directors declared an interim dividend in respect of the financial period ended 31 December 2013 by way of distribution of tax exempt share dividend on the basis of three (3) treasury shares for every one hundred (100) existing shares of RM1.00 each held at 4.00 p.m. on 18 July 2013. The share dividend involved the distribution of 17,440,547 treasury shares which were credited into the entitled Depositors' Securities Accounts on 31 July 2013.

On 27 February 2014, the Directors also declared an interim dividend in respect of the financial period ended 31 December 2013 by way of distribution of tax exempt share dividend on the basis of three (3) treasury shares for every one hundred (100) existing shares of RM1.00 each held at 4.00 p.m. on 14 March 2014. The share dividend involved the distribution of 17,695,933 treasury shares which were credited into the entitled Depositors' Securities Accounts on 14 March 2014.

The Directors do not recommend the payment of any final dividend for the financial period ended 31 December 2013.

### RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial period are shown in the financial statements.

### CHANGE OF FINANCIAL YEAR END

On 27 December 2013, the Board of Directors of the Company had approved the change of financial year end of the Company from 31 January to 31 December.

### TREASURY SHARES

Shareholders of the Company had approved an ordinary resolution at the Annual General Meeting held on 27 June 2013 for the Company to repurchase its own shares up to a maximum of 10% of the issued and paid up capital of the Company. The Directors of the Company were committed to enhancing the value of the Company and believed that the repurchase plan was being applied in the best interest of the Company and its shareholders.

During the financial period, the Company repurchased 24,000,500 of its issued share capital from the open market for RM47,894,271. The average price paid for the shares repurchased was approximately RM2.00 per share.

The Company also sold 10,092,400 of its repurchased ordinary shares to the open market at an average price of RM2.00 per share. The total consideration received for the resale including transaction costs was RM20,119,352.

GOLDIS BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

TREASURY SHARES (CONTINUED)

The repurchase transactions were financed by internally generated funds. The balance of the shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965 and carried at purchase cost. The Company has the right to distribute these shares as dividends to reward shareholders and/or resell the shares. As treasury shares, the rights attached as to voting, dividends and participation in others distribution are suspended.

As at 31 December 2013, the number of outstanding ordinary shares in issue after the set off of treasury shares is 589,940,103 (31.1.2013: 586,407,656) ordinary shares of RM1.00 each.

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Tan Lei Cheng
Datuk Tan Kim Leong @ Tan Chong Min
Pauline Tan Suat Ming
Tan Boon Lee
Daud Mah bin Abdullah @ Mah Siew Whye
Tan Mei Sian (Alternate Director to Tan Boon Lee) (Appointed on 5.2.2013)

DIRECTORS' BENEFITS

During and at the end of the financial period, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration disclosed in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, particulars of interests of Directors who held office at the end of the financial period in shares in the Company and its related corporations are as follows:

| | Number of ordinary shares of RM1.00 each | | | |
|---|---|---|---|---|
| | At 1.2.2013/Date of appointment | Additions | Disposals | At 31.12.2013 |
| In the Company | | | | |
| Tan Lei Cheng | | | | |
| Direct | 8,388,775 | 251,663 | - | 8,640,438 |
| Indirect* | 3,640,473 | 109,213 | - | 3,749,686 |
| Datuk Tan Kim Leong @ Tan Chong Min | | | | |
| Direct | 375,000 | 10,350 | (30,000) | 355,350 |
| Pauline Tan Suat Ming | | | | |
| Direct | 757,186 | 22,715 | - | 779,901 |
| Indirect* | 168,117,625 | 5,043,522 | - | 173,161,147 |
| Tan Boon Lee | | | | |
| Direct | 3,818,731 | 217,561 | - | 4,036,292 |
| Daud Mah bin Abdullah @ Mah Siew Whye | | | | |
| Direct | 93,750 | 2,812 | - | 96,562 |
| Tan Mei Sian | | | | |
| Direct | 100,000 | 3,000 | - | 103,000 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

| | Number of ordinary shares of RM1.00 each | | | |
|---|---|---|---|---|
| | At 1.2.2013/Date of appointment | Additions | Disposals | At 31.12.2013 |
| In a subsidiary company, GTower Sdn Bhd | | | | |
| Tan Lei Cheng | | | | |
| Direct | 321,429 | - | - | 321,429 |
| Pauline Tan Suat Ming | | | | |
| Direct | 357,143 | - | - | 357,143 |
| Tan Boon Lee | | | | |
| Direct | 428,571 | - | - | 428,571 |
| Tan Mei Sian | | | | |
| Direct | 35,714 | - | - | 35,714 |

| | Number of ordinary shares of RM0.50 each | | | |
|---|---|---|---|---|
| | At 1.2.2013/Date of appointment | Additions | Disposals | At 31.12.2013 |
| In a subsidiary company, IGB Corporation Bhd | | | | |
| Tan Lei Cheng | | | | |
| Direct | 2,318,118 | - | - | 2,318,118 |
| Indirect* | 1,707,038 | - | - | 1,707,038 |
| Datuk Tan Kim Leong @ Tan Chong Min | | | | |
| Direct | 20,000 | - | - | 20,000 |
| Pauline Tan Suat Ming | | | | |
| Direct | 1,006,784 | - | - | 1,006,784 |
| Indirect* | 537,623,681 | 171,700 | - | 537,795,381 |
| Tan Boon Lee | | | | |
| Direct | 3,424,529 | - | - | 3,424,529 |
| Tan Mei Sian | | | | |
| Direct | 100,000 | - | - | 100,000 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

| | Number of ordinary shares+ | | | |
|---|---|---|---|---|
| | At 1.2.2013 | Additions | Disposals | At 31.12.2013 |
| In a subsidiary company, KrisAssets Holdings Berhad ("KrisAssets") | | | | |
| Tan Lei Cheng | | | | |
| Direct | 51,201 | - | - | 51,201 |
| Indirect* | 39,916 | - | - | 39,916 |
| Pauline Tan Suat Ming | | | | |
| Direct | 68 | - | - | 68 |
| Indirect* | 333,322,333 | - | - | 333,322,333 |
| Tan Boon Lee | | | | |
| Direct | 1,100 | - | - | 1,100 |

+ A Capital Reduction exercise in accordance with Sections 60 and 64 of the Companies Act, 1965 involving a reduction of the share capital and share premium via cancellation of the issued and paid-up share capital of KrisAssets was completed on 6 February 2013. The par value of KrisAssets' ordinary shares was reduced from RM1.00 to RM0.02. KrisAssets was subsequently delisted from the official list of Bursa Malaysia Securities Berhad on 16 May 2013.

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

| | Number of unit of RM1.00 each | | | |
|---|---|---|---|---|
| | At 1.2.2013 | Additions | Disposals | At 31.12.2013 |
| In a subsidiary company, IGB Real Estate Investment Trust ("IGB REIT") | | | | |
| Tan Lei Cheng | | | | |
| Direct | 1,853,742 | - | - | 1,853,742 |
| Indirect* | 345,722 | - | - | 345,722 |
| Datuk Tan Kim Leong @ Tan Chong Min | | | | |
| Direct | 1,600 | - | - | 1,600 |
| Pauline Tan Suat Ming | | | | |
| Direct | 1,080,898 | - | - | 1,080,898 |
| Indirect* | 1,788,285,023 | 22,619,566 | (924,500) | 1,809,980,089 |
| Tan Boon Lee | | | | |
| Direct | 1,989,725 | - | - | 1,989,725 |

* Deemed interest pursuant to Section 6A of the Companies Act, 1965.

GOLDIS BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements were made out, the Directors took reasonable steps:

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

(b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

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

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

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

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

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

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

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

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

GOLDIS BERHAD
(Incorporated in Malaysia)

## DIRECTORS' REPORT
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

(a) the results of the Group's and of the Company's operations during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature except for the adoption of FRS 10 "Consolidated Financial Statements" and change in accounting policy as disclosed in Note 45 to the financial statements; and

(b) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or of the Company for the financial period in which this report is made.

AUDITORS

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

Signed in accordance with a resolution of the Board of Directors dated 23 April 2014.

TAN LEI CHENG
DIRECTOR

TAN BOON LEE
DIRECTOR

GOLDIS BERHAD
(Incorporated in Malaysia)

## INCOME STATEMENTS
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 11 months period ended 31.12.2013 RM'000 | Restated Year ended 31.1.2013 RM'000 | 11 months period ended 31.12.2013 RM'000 | Year ended 31.1.2013 RM'000 |
| **Continuing operations** | | | | | |
| Revenue | 7 | 1,118,682 | 1,084,813 | 73,212 | 55,936 |
| Cost of sales | | (477,148) | (426,055) | - | - |
| Gross profit | | 641,534 | 658,758 | 73,212 | 55,936 |
| Other income | | 33,141 | 47,599 | 21,432 | 16,739 |
| Administrative expenses | | (232,153) | (275,448) | (7,147) | (7,540) |
| Other expenses | | (18,204) | (4,514) | (6,019) | (19,812) |
| Operating profit | 8 | 424,318 | 426,395 | 81,478 | 45,323 |
| Finance income | 11 | 46,518 | 36,901 | 2,203 | 3,644 |
| Finance costs | 11 | (76,598) | (79,657) | (88) | (137) |
| Share of results of associates | 21 | 17,935 | 10,418 | - | - |
| Profit before taxation | | 412,173 | 394,057 | 83,593 | 48,830 |
| Taxation | 12 | (102,280) | (154,650) | (13,139) | (3,490) |
| Profit for the financial period/ year from continuing operations | | 309,893 | 239,407 | 70,454 | 45,340 |
| Profit for the financial period/ year from discontinued operations | 6 | 20,052 | 29,444 | - | - |
| Profit for the financial period/year | | 329,945 | 268,851 | 70,454 | 45,340 |
| Attributable to: | | | | | |
| Owners of the parent: | | | | | |
| - continuing | | 81,934 | 67,730 | 70,454 | 45,340 |
| - discontinued | | 20,052 | 31,616 | - | - |
| | | 101,986 | 99,346 | 70,454 | 45,340 |
| Non-controlling interests | | 227,959 | 169,505 | - | - |
| Profit for the financial period/year | | 329,945 | 268,851 | 70,454 | 45,340 |
| Basic/ Diluted earnings per share (sen): | | | | | |
| - continuing operations | 13 | 13.97 | 11.20 | | |
| - discontinued operations | 13 | 3.42 | 5.23 | | |
| | | 17.39 | 16.43 | | |

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

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF COMPREHENSIVE INCOME
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

| | Note | Group 11 months period ended 31.12.2013 RM'000 | Group Restated Year ended 31.1.2013 RM'000 | Company 11 months period ended 31.12.2013 RM'000 | Company Year ended 31.1.2013 RM'000 |
|---|---|---|---|---|---|
| **Profit for the financial period/year** | | 329,945 | 268,851 | 70,454 | 45,340 |
| **Other comprehensive income/(loss):** | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | |
| Surplus on revaluation of hotel properties | | 321,105 | - | - | - |
| Deferred tax on revaluation surplus on hotel properties | | (80,276) | - | - | - |
| **Items that may be subsequently reclassified to profit or loss** | | | | | |
| Available-for-sale financial assets | | | | | |
| - net change in fair values | | (8,039) | 11,538 | (7,967) | 11,470 |
| - transfer to profit or loss on disposal | | (463) | (1,408) | (11) | (1,408) |
| Exchange fluctuation reserve | | | | | |
| - currency translation differences | | 17,506 | 3,357 | - | - |
| - transfer to profit or loss on disposal of subsidiaries | | 226 | (6,366) | - | - |
| **Other comprehensive income for the financial period/year, net of tax** | | 250,059 | 7,121 | (7,978) | 10,062 |
| **Total comprehensive income for the financial period/year** | | 580,004 | 275,972 | 62,476 | 55,402 |
| Attributable to: | | | | | |
| Owners of the parent | | 177,288 | 104,402 | | |
| Non-controlling interests | | 402,716 | 171,570 | | |
| Total comprehensive income for the financial period/year | | 580,004 | 275,972 | | |
| Total comprehensive income attributable to owners of the parent: | | | | | |
| - continuing operations | | 157,236 | 79,042 | | |
| - discontinued operations | | 20,052 | 25,360 | | |
| | | 177,288 | 104,402 | | |

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

## GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF FINANCIAL POSITION
## AS AT 31 DECEMBER 2013

| | | Group | | | Company | |
|---|---|---|---|---|---|---|
| | | | Restated | Restated | | Restated |
| | Note | 31.12.2013 | 31.1.2013 | 1.2.2012 | 31.12.2013 | 31.1.2013 |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **ASSETS** | | | | | | |
| NON-CURRENT ASSETS | | | | | | |
| Property, plant and equipment | 14 | 2,356,844 | 1,838,802 | 1,516,352 | 299 | 337 |
| Land held for property development | 15 | 220,363 | 229,873 | 224,756 | - | - |
| Investment properties | 16 | 2,477,331 | 2,280,202 | 1,913,422 | - | - |
| Long term prepaid lease | 17 | 3,697 | 3,703 | 4,049 | - | - |
| Intangible assets | 18 | 19,720 | 19,540 | 346 | - | - |
| Biological assets | 19 | 460 | 647 | - | - | - |
| Subsidiaries | 20 | - | - | - | 798,119 | 783,089 |
| Associates | 21 | 390,598 | 355,794 | 538,438 | - | - |
| Available-for-sale financial assets | 22 | 9,857 | 50 | 241 | 9,807 | - |
| Concession receivables | 23 | 57,703 | 43,161 | 38,465 | - | - |
| Deferred tax assets | 24 | 1,649 | 5,893 | 8,618 | - | - |
| Deposits, cash and bank balances | 30 | 95,000 | 95,000 | 121,593 | - | - |
| | | 5,633,222 | 4,872,665 | 4,366,280 | 808,225 | 783,426 |

## GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)

| | Note | Group 31.12.2013 RM'000 | Group Restated 31.1.2013 RM'000 | Group Restated 1.2.2012 RM'000 | Company 31.12.2013 RM'000 | Company Restated 31.1.2013 RM'000 |
|---|---|---|---|---|---|---|
| CURRENT ASSETS | | | | | | |
| Property development costs | 25 | 297,916 | 225,867 | 199,766 | - | - |
| Inventories | 26 | 83,796 | 63,571 | 71,953 | - | - |
| Available-for-sale financial assets | 22 | 49,914 | 58,809 | 14,519 | 49,069 | 56,224 |
| Financial assets at fair value through profit or loss | 27 | 16,927 | 13,424 | 35,299 | 16,533 | 12,920 |
| Derivative financial assets | | - | - | 2,976 | - | - |
| Concession receivables | 23 | 6,198 | 9,595 | 9,158 | - | - |
| Amounts owing from subsidiaries | 39 | - | - | - | 42,116 | 53,928 |
| Amounts owing from associates | 28 | 86,758 | 66,025 | 136,071 | - | - |
| Amount owing from a jointly controlled entity | | - | - | 249 | - | - |
| Amount owing from a related company | | 22 | - | - | - | - |
| Trade and other receivables | 29 | 231,413 | 252,169 | 260,020 | 1,725 | 8,120 |
| Tax recoverable | | 5,048 | 5,249 | 6,393 | 1,302 | 773 |
| Cash held under Housing Development Accounts | 30 | 32,984 | 5,259 | 22,271 | - | - |
| Deposits, cash and bank balances | 30 | 1,057,170 | 2,079,970 | 860,146 | 88,583 | 43,383 |
| | | 1,868,146 | 2,779,938 | 1,618,821 | 199,328 | 175,348 |
| Assets held-for-sale | 6 | - | 71,331 | 64,807 | - | 14,154 |
| | | 1,868,146 | 2,851,269 | 1,683,628 | 199,328 | 189,502 |
| TOTAL ASSETS | | 7,501,368 | 7,723,934 | 6,049,908 | 1,007,553 | 972,928 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)

| | Note | Group 31.12.2013 RM'000 | Group Restated 31.1.2013 RM'000 | Group Restated 1.2.2012 RM'000 | Company 31.12.2013 RM'000 | Company Restated 31.1.2013 RM'000 |
|---|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | | |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT | | | | | | |
| Share capital | 31 | 610,494 | 610,494 | 610,368 | 610,494 | 610,494 |
| Share premium | 32 | 67,765 | 103,221 | 103,141 | 67,765 | 103,221 |
| Treasury shares | 33 | (41,147) | (48,827) | - | (41,147) | (48,827) |
| Other reserves | 34 | 211,111 | 186,886 | 196,708 | 10,404 | 18,382 |
| Retained earnings | 35 | 881,846 | 694,729 | 388,428 | 359,493 | 289,039 |
| | | 1,730,069 | 1,546,503 | 1,298,645 | 1,007,009 | 972,309 |
| Non-controlling interests | 20 | 3,102,460 | 3,510,460 | 2,724,125 | - | - |
| TOTAL EQUITY | | 4,832,529 | 5,056,963 | 4,022,770 | 1,007,009 | 972,309 |
| LIABILITIES | | | | | | |
| NON-CURRENT LIABILITIES | | | | | | |
| Trade and other payables | 36 | 73,405 | 64,723 | 59,307 | - | - |
| Deferred tax liabilities | 24 | 276,572 | 191,062 | 167,230 | 59 | 75 |
| Hire-purchase and finance lease payables | 37 | 194 | 144 | 30 | - | - |
| Interest bearing bank borrowings | 38 | 1,484,909 | 1,526,581 | 916,213 | - | - |
| | | 1,835,080 | 1,782,510 | 1,142,780 | 59 | 75 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONTINUED)

| | Note | Group | | | Company | |
|---|---|---|---|---|---|---|
| | | 31.12.2013 | Restated 31.1.2013 | Restated 1.2.2012 | 31.12.2013 | Restated 31.1.2013 |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| CURRENT LIABILITIES | | | | | | |
| Trade and other payables | 36 | 496,487 | 383,548 | 360,816 | 459 | 489 |
| Advances from subsidiaries | 39 | - | - | - | 26 | 26 |
| Amount owing to associates | 28 | 4,107 | 22,487 | 25,518 | - | - |
| Financial guarantee contract | 40 | - | - | - | - | 29 |
| Current tax liabilities | | 69,802 | 59,215 | 40,612 | - | - |
| Hire-purchase and finance lease payables | 37 | 75 | 70 | 40 | - | - |
| Interest bearing bank borrowings | 38 | 263,288 | 362,851 | 411,107 | - | - |
| | | 833,759 | 828,171 | 838,093 | 485 | 544 |
| Liabilities directly associated with assets held-for-sale | 6 | - | 56,290 | 46,265 | - | - |
| | | 833,759 | 884,461 | 884,358 | 485 | 544 |
| TOTAL LIABILITIES | | 2,668,839 | 2,666,971 | 2,027,138 | 544 | 619 |
| TOTAL EQUITY AND LIABILITIES | | 7,501,368 | 7,723,934 | 6,049,908 | 1,007,553 | 972,928 |

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

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

| Group | Note | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Share capital RM'000 | Share premium (Note 32) RM'000 | Treasury shares (Note 33) RM'000 | Other reserves (Note 34) RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| 31.1.2013 (Restated) | | | | | | | | | |
| At 1 February 2012 | | | | | | | | | |
| - As previously reported | | 610,368 | 103,141 | - | 10,195 | 645,939 | 1,369,643 | 27,206 | 1,396,849 |
| - Effects of adoption of FRS 10 and change in accounting policy | | - | - | - | 186,513 | (257,511) | (70,998) | 2,696,919 | 2,625,921 |
| As restated | | 610,368 | 103,141 | - | 196,708 | 388,428 | 1,298,645 | 2,724,125 | 4,022,770 |
| Comprehensive income | | | | | | | | | |
| Profit for the financial year | | - | - | - | - | 99,346 | 99,346 | 169,505 | 268,851 |
| Other comprehensive income | | - | - | - | (24,246) | 29,302 | 5,056 | 2,065 | 7,121 |
| **Total comprehensive income for the financial year** | | - | - | - | (24,246) | 128,648 | 104,402 | 171,570 | 275,972 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| | | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Group | Note | Share capital RM'000 | Share premium (Note 32) RM'000 | Treasury shares (Note 33) RM'000 | Other reserves (Note 34) RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| 31.1.2013 (Restated) | | | | | | | | | |
| Transactions with owners | | | | | | | | | |
| Issuance of shares | | | | | | | | | |
| - ESOS | 31 | 126 | 80 | - | (30) | - | 176 | - | 176 |
| Shares buy back | 33 | - | - | (48,827) | - | - | (48,827) | - | (48,827) |
| Disposal of subsidiaries | 6 | - | - | - | - | - | - | (1,694) | (1,694) |
| Dividends paid to non-controlling interests | | - | - | - | - | - | - | (123,309) | (123,309) |
| Changes in ownership interests in subsidiaries that do not result in a loss of control | | - | - | - | 14,454 | 177,653 | 192,107 | 739,768 | 931,875 |
| **Total transactions with owners** | | 126 | 80 | (48,827) | 14,424 | 177,653 | 143,456 | 614,765 | 758,221 |
| At 31 January 2013 (restated) | | 610,494 | 103,221 | (48,827) | 186,886 | 694,729 | 1,546,503 | 3,510,460 | 5,056,963 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| | | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Group | Note | Share capital RM'000 | Share premium (Note 32) RM'000 | Treasury shares (Note 33) RM'000 | Other reserves (Note 34) RM'000 | Retained earnings RM'000 | Total RM'000 | Non-controlling interests RM'000 | Total equity RM'000 |
| 31.12.2013 | | | | | | | | | |
| At 1 February 2013 (restated) | | 610,494 | 103,221 | (48,827) | 186,886 | 694,729 | 1,546,503 | 3,510,460 | 5,056,963 |
| Comprehensive income | | | | | | | | | |
| Profit for the financial period | | - | - | - | - | 101,986 | 101,986 | 227,959 | 329,945 |
| Other comprehensive income | | - | - | - | 18,962 | 56,340 | 75,302 | 174,757 | 250,059 |
| **Total comprehensive income for the financial period** | | - | - | - | 18,962 | 158,326 | 177,288 | 402,716 | 580,004 |
| Transactions with owners | | | | | | | | | |
| Shares buy back | 33 | - | - | (47,895) | - | - | (47,895) | - | (47,895) |
| Disposal of treasury shares | 33 | - | (275) | 20,394 | - | - | 20,119 | - | 20,119 |
| Distribution of treasury shares as dividend | 33 | - | (35,181) | 35,181 | - | - | - | - | - |
| Disposal of a subsidiary | 6 | - | - | - | - | - | - | (2,034) | (2,034) |
| Dividends paid to non-controlling interests | | - | - | - | - | - | - | (216,070) | (216,070) |
| Capital reduction and repayment in a subsidiary | | - | - | - | - | - | - | (505,757) | (505,757) |
| Changes in ownership interests in subsidiaries that do not result in a loss of control | | - | - | - | 5,263 | 28,791 | 34,054 | (86,855) | (52,801) |
| **Total transactions with owners** | | - | (35,456) | 7,680 | 5,263 | 28,791 | 6,278 | (810,716) | (804,438) |
| At 31 December 2013 | | 610,494 | 67,765 | (41,147) | 211,111 | 881,846 | 1,730,069 | 3,102,460 | 4,832,529 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| | | Non-distributable | | | Distributable | |
|---|---|---|---|---|---|---|
| Company | Share capital RM'000 | Share premium (Note 32) RM'000 | Treasury shares (Note 33) RM'000 | Other reserve (Note 34) RM'000 | Retained earnings RM'000 | Total RM'000 |
| 31.1.2013 | | | | | | |
| At 1 February 2012 | 610,368 | 103,141 | - | 8,350 | 243,699 | 965,558 |
| Comprehensive income | | | | | | |
| Profit for the financial year | - | - | - | - | 45,340 | 45,340 |
| Other comprehensive income | - | - | - | 10,062 | - | 10,062 |
| **Total comprehensive income for the financial year** | - | - | - | 10,062 | 45,340 | 55,402 |
| Transactions with owners | | | | | | |
| Issuance of shares - ESOS | 126 | 80 | - | (30) | - | 176 |
| Shares buy back | - | - | (48,827) | - | - | (48,827) |
| **Total transactions with owners** | 126 | 80 | (48,827) | (30) | - | (48,651) |
| At 31 January 2013 | 610,494 | 103,221 | (48,827) | 18,382 | 289,039 | 972,309 |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CHANGES IN EQUITY
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| Company | | Non-distributable | | | Distributable | |
|---|---|---|---|---|---|---|
| | Share capital RM'000 | Share premium (Note 32) RM'000 | Treasury shares (Note 33) RM'000 | Other reserve (Note 34) RM'000 | Retained earnings RM'000 | Total RM'000 |
| 31.12.2013 | | | | | | |
| At 1 February 2013 | 610,494 | 103,221 | (48,827) | 18,382 | 289,039 | 972,309 |
| Comprehensive income | | | | | | |
| Profit for the financial period | - | - | - | - | 70,454 | 70,454 |
| Other comprehensive income | - | - | - | (7,978) | - | (7,978) |
| **Total comprehensive income for the financial period** | - | - | - | (7,978) | 70,454 | 62,476 |
| Transactions with owners | | | | | | |
| Shares buy back | - | - | (47,895) | - | - | (47,895) |
| Distribution of treasury shares as dividend | - | (35,181) | 35,181 | - | - | - |
| Disposal of treasury shares | - | (275) | 20,394 | - | - | 20,119 |
| **Total transactions with owners** | - | (35,456) | 7,680 | - | - | (27,776) |
| At 31 December 2013 | 610,494 | 67,765 | (41,147) | 10,404 | 359,493 | 1,007,009 |

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

## GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CASH FLOWS
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

| | Note | Group 11 months period ended 31.12.2013 RM'000 | Group Restated Year ended 31.1.2013 RM'000 | Company 11 months period ended 31.12.2013 RM'000 | Company Restated Year ended 31.1.2013 RM'000 |
|---|---|---|---|---|---|
| OPERATING ACTIVITIES | | | | | |
| Cash receipts from customers | | 1,196,934 | 1,031,781 | - | - |
| Cash paid to suppliers and employees | | (682,893) | (607,709) | (6,844) | (8,556) |
| Cash generated from/ (used in) operations | | 514,041 | 424,072 | (6,844) | (8,556) |
| Dividends received | | - | - | 71,574 | 51,286 |
| Interests received | | - | - | 1,980 | 5,175 |
| Interests paid | | (79,883) | (61,475) | (88) | (137) |
| Tax refund | | 466 | 183 | - | - |
| Taxation paid | | (88,142) | (110,593) | (13,684) | (2,517) |
| Deposits held with trustee | | (995) | (8,651) | - | - |
| Net cash flow from operating activities | | | | | |
| - continuing operations | | 345,487 | 243,536 | 52,938 | 45,251 |
| - discontinued operations | 6 | (1,935) | (2,473) | - | - |
| | | 343,552 | 241,063 | 52,938 | 45,251 |
| INVESTING ACTIVITIES | | | | | |
| Acquisition of subsidiaries | 5 | (33,200) | (101,849) | * | * |
| Additional investment in: | | | | | |
| - available-for-sale financial assets | | (10,764) | (42,018) | (10,764) | |
| - financial assets at fair value through profit or loss | | (13,956) | (18,166) | (13,956) | (18,068) |
| - derivative financial assets | | - | (7,648) | - | (7,648) |
| - associate | | - | - | - | (61,126) |
| Additions in: | | | | | |
| - investment properties | | (230,073) | (98,541) | - | - |
| - land held for property development | | (812) | (4,155) | | |
| - biological assets | | (13) | (832) | - | - |
| - intangible assets | | (439) | (318) | - | - |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CASH FLOWS
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| | Note | Group 11 months period ended 31.12.2013 RM'000 | Group Restated Year ended 31.1.2013 RM'000 | Company 11 months period ended 31.12.2013 RM'000 | Company Restated Year ended 31.1.2013 RM'000 |
|---|---|---|---|---|---|
| INVESTING ACTIVITIES (CONTINUED) | | | | | |
| Proceed from issuance of shares by subsidiaries to non-controlling interest | | 171 | 113 | - | - |
| Proceeds from disposal of: | | | | | |
| - subsidiaries | 6 | 2,999 | (1,944) | 22,315 | - |
| - associates | | - | 114,325 | - | - |
| - available-for-sale financial assets | | 7,624 | 3,258 | 5,949 | 3,235 |
| - financial assets at fair value through profit or loss | | 12,359 | 40,345 | 12,359 | 16,901 |
| - derivative financial assets | | - | 10,865 | - | 10,865 |
| Property, plant and equipment: | | | | | |
| - additions | | (108,729) | (79,451) | (36) | (14) |
| - disposals | | 34 | 13,981 | - | 5 |
| Repayment of advances by subsidiaries | | - | - | 51,159 | 48,904 |
| Advances to subsidiaries | | - | - | (46,988) | (46,947) |
| Settlement of shareholders advances arising from acquisition of subsidiaries | | - | (176,151) | - | - |
| Advances to associates | | (17,628) | (7,855) | - | - |
| Repayment of advances from associates | | (664) | - | - | - |
| Net repayment of advances from jointly controlled entity | | - | 249 | - | - |
| Interest received | | 46,061 | 37,832 | - | - |
| Dividend received from associates | | 4,186 | 16,465 | - | - |
| Net cash flow (used in)/from investing activities | | | | | |
| - continuing operations | | (342,844) | (301,495) | 20,038 | (93,817) |
| - discontinued operations | 6 | (1,046) | (1,398) | - | - |
| | | (343,890) | (302,893) | 20,038 | (93,817) |

GOLDIS BERHAD
(Incorporated in Malaysia)

## STATEMENTS OF CASH FLOWS
## FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

| | Note | Group 11 months period ended 31.12.2013 RM'000 | Group Restated Year ended 31.1.2013 RM'000 | Company 11months period ended 31.12.2013 RM'000 | Company Restated Year ended 31.1.2013 RM'000 |
|---|---|---|---|---|---|
| FINANCING ACTIVITIES | | | | | |
| Additional investment in a subsidiary from non-controlling interest | | (153,326) | (165,371) | - | - |
| Capital repayment to non-controlling interests of a subsidiary | | (505,757) | - | - | - |
| Cash arising from dilution of equity in a subsidiary | | - | 837,500 | - | - |
| Dividend paid to non-controlling interest | | (182,348) | (105,762) | - | - |
| Repayment of borrowings | | (145,100) | (499,500) | - | - |
| Proceeds from borrowings | | 9,726 | 1,212,559 | - | - |
| Proceeds from issuance of shares arising from exercise of ESOS | | - | 176 | - | 176 |
| Purchase of treasury shares | | (47,895) | (48,827) | (47,895) | (48,827) |
| Proceeds from disposal of treasury shares | | 20,119 | - | 20,119 | - |
| Payments of hire-purchase and finance lease liabilities | | (97) | (80) | - | - |
| Deposit pledged with licensed banks | | - | 26,593 | - | - |
| Net cash flow (used in)/from financing activities | | | | | |
| - continuing operations | | (1,004,678) | 1,257,288 | (27,776) | (48,651) |
| - discontinued operations | 6 | 2,656 | 787 | - | - |
| | | (1,002,022) | 1,258,075 | (27,776) | (48,651) |
| Net (decrease)/increase in cash and cash equivalents during the financial period/year | | (1,002,360) | 1,196,245 | 45,200 | (97,217) |
| Currency translation differences | | 6,290 | (2,084) | - | - |
| Cash and cash equivalents at beginning of the financial period/year | | 2,057,498 | 863,337 | 43,083 | 140,300 |
| Cash and cash equivalents at end of the financial period/year | 30 | 1,061,428 | 2,057,498 | 88,283 | 43,083 |

* Less than RM1,000

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

GOLDIS BERHAD
(Incorporated in Malaysia)

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

### A BASIS OF PREPARATION

The financial statements of the Group and Company have been prepared in accordance with the Financial Reporting Standards ("FRS") and the requirements of the Companies Act, 1965 in Malaysia.

The Group includes transitioning entities and has elected to continue to apply FRS during the financial period. In the next financial year, the Group will continue to apply FRS. The Group will be adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards ("MFRS") when the MFRS Framework is mandated by the MASB. In adopting the new framework, the Group will be applying MFRS 1 "First-time adoption of MFRS".

The financial statements have been prepared under the historical cost convention except as disclosed in this summary of significant accounting policies.

The preparation of financial statements in conformity with FRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Group and Company's accounting policies. Although these estimates and judgment are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

(a) Standards, amendments to published standards and interpretations that are applicable to the Group and are effective

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Group and Company's financial period beginning on or after 1 February 2013 are as follows:

- FRS 10, 'Consolidated Financial Statements'
- FRS 11 'Joint arrangements'
- FRS 12, 'Disclosures of Interests in Other Entities'
- FRS 13, 'Fair Value Measurement'
- The revised FRS 127, 'Separate Financial Statements'
- The revised FRS 128, 'Investments in Associates and Joint Ventures'
- Amendments to FRS 101 'Presentation of items of other comprehensive income'
- Amendment to FRS 119, 'Employee benefits'
- Amendment to FRS 7, 'Financial Instruments: Disclosures'
- Amendments to FRS 10, 11 & 12 'Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance'
- Annual improvements 2009 – 2011 Cycle

A summary of the impact of the new accounting standards, amendments to published standards and interpretations on the financial statements of the Group and Company is set out in Note 45.

GOLDIS BERHAD
(Incorporated in Malaysia)

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

A BASIS OF PREPARATION (CONTINUED)

(b) Standards early adopted by the Group

- The amendments to FRS 136 'Impairment of assets' removed certain disclosures of the recoverable amount of CGUs which had been included in FRS 136 by the issuance of FRS 13. The amendment is not mandatory for the Group until 1 January 2014, however the Group has decided to early adopt the amendment as of 1 February 2013.

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective

The Group will apply the new standards, amendments to published standards and interpretations to existing standards in the following period:

(i) Financial year beginning on/after 1 January 2014

- Amendment to FRS 132, 'Financial Instruments: Presentation' (effective from 1 January 2014) does not change the current offsetting model in FRS 132. It clarifies the meaning of 'currently has a legally enforceable right of set-off' that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the FRS 132 offsetting criteria.

- Amendments to FRS 10, FRS 12 and FRS 127 (effective from 1 January 2014) introduce an exception to consolidation for investment entities. Investment entities are entities whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the performance of its investments on fair value basis. The amendments require investment entities to measure particular subsidiaries at fair value instead of consolidating them.

- IC Interpretation 21, 'Levies' (effective from 1 January 2014) sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation clarifies that a liability to pay a levy is recognised when the obligating event occurs. Obligating event is the event identified by the legislation that triggers the payment of the levy.

The above standards, amendments to published standards and interpretations to existing standards are not anticipated to have any significant impact on the financial statements of the Group and Company in the year of initial adoption.

A BASIS OF PREPARATION (CONTINUED)

(c) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group but not yet effective (continued)

(ii) Effective date yet to be determined by Malaysian Accounting Standards Board

- FRS 9, 'Financial Instruments - Classification and Measurement of Financial Assets and Financial Liabilities' replaces the parts of FRS 139 that relate to the classification and measurement of financial instruments. FRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the FRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess FRS 9's full impact. The Group will also consider the impact of the remaining phases of FRS 9 when completed by the Board.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated in accounting policy C.

B CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition- by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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B CONSOLIDATION (CONTINUED)

(a) Subsidiaries (continued)

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to ensure uniform accounting policies of the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised.

The acquired entity's results, assets and liabilities are consolidated as if both the acquirer and acquiree had always been combined. Consequently, the consolidated financial statements reflect both entities' full year's results. The corresponding amounts for the previous year reflect the combined results of both entities.

Acquisition-related costs are expensed as incurred.

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

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with FRS 139 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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B CONSOLIDATION (CONTINUED)

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

The Group's interest in a joint venture is accounted for in the financial statements by the equity method of accounting. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the group's net investment in the joint ventures), the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the group.

## B CONSOLIDATION (CONTINUED)

### (e) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of an associate' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

When the Group increases its stake in an existing investment and the investment becomes an associate for the first time, goodwill is calculated at each stage of the acquisition. The Group does not revalue its previously owned share of net assets to fair value. Any existing available-for-sale reserve is reversed in other comprehensive income, restating the investment to cost. For an investment designated at fair value through profit or loss, the reversal resulting from the restatement to cost is made against retained earnings. A share of profits (after dividends) together with a share of any equity movements relating to the previously held interest are accounted for in other comprehensive income.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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B CONSOLIDATION (CONTINUED)

(f) Investments in subsidiaries and associates

In the Company's separate financial statements, investments in subsidiaries and associates are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries and associates, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

C PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially stated at cost. Hotel properties (land, development rights and buildings) are subsequently shown at fair value, based on periodic valuations, but at least once in every five years, by external independent valuers, less subsequent depreciation and impairment losses. Additional valuations are performed in the intervening period when market conditions indicate that the carrying values on the revalued assets are materially different from the market values. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

All other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (see Note U on borrowings and borrowing costs).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in the income statements during the financial period in which they are incurred.

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income as a revaluation surplus reserve. When the asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the income statement. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus reserve of that asset. The revaluation surplus included in equity is transferred directly to retained earnings as the asset is used. The amount of the revaluation surplus transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

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C PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Freehold land is not depreciated as it has an infinite life. Leasehold land classified as finance lease is amortised in equal instalments over the period of the respective leases. Other property, plant and equipment are depreciated on the straight line method to allocate the cost or the revalued amounts to their residual values over their estimated useful lives, summarised as follows:

| | |
|---|---|
| Buildings, including hotel buildings | 10 to 100 years |
| Leasehold land | 100 years |
| Plant and machinery | 5 to 10 years |
| Furniture, fixtures, fittings and equipment | 3 to 10 years |
| Motor vehicles | 5 years |

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of the reporting period. The Group carries out assessment on residual values and useful lives of assets on an annual basis. There was no adjustment arising from the assessment performed in the financial period.

Depreciation on assets under construction commences when the assets are ready for their intended use.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see accounting policy G on impairment of non-financial assets).

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount and are included in profit or loss. The revaluation surplus included in equity is transferred directly to retained earnings when the asset is disposed of.

Change in accounting policy

The Group has changed its accounting policy for hotel properties from a cost model to a revaluation model. Under the revaluation model, revaluation surplus is recognised in reserves. The Group has applied this policy retrospectively and the impact of the change is disclosed in Note 45 to the financial statements.

The Group have changed its accounting policy for hotel properties from a cost model to a revaluation model to ensure a consistent basis of preparing the Group financial statements with its subsidiaries.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

D INVESTMENT PROPERTIES

Investment properties, comprising principally land, development rights and buildings are held for long term rental yields or for capital appreciation or both, and are not substantially occupied by the Group. Investment properties are measured initially at its cost, including related transaction costs and borrowing costs if the investment property meets the definition of a qualifying asset. Fittings that are attached to the buildings are also classified as investment properties.

After initial recognition, investment properties are stated at cost less any accumulated depreciation and impairment losses. At each reporting date, the Group assesses whether there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see accounting policy G on impairment of non-financial assets). Freehold land is not depreciated as it has infinite life. Other categories of investment properties are depreciated on the straight line basis to allocate the cost of the assets to their residual values over their estimated useful lives, summarised as follows:

| | |
|---|---|
| Building | 50 years |
| Building fittings | 3 to 50 years |

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in profit or loss.

Under cost model, if an item of owner-occupied property becomes an investment property because its use has changed, the carrying amount of the property does not change.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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E INTANGIBLE ASSETS

(a) Goodwill

Goodwill or negative goodwill arises on the acquisition of subsidiaries represents the excess or deficit of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

Goodwill on acquisitions of subsidiaries is included in the statement of financial position as intangible assets whereas negative goodwill is recognised immediately in the income statements.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. See accounting policy G on impairment of non-financial assets.

Gains and losses on the disposal of a subsidiary include the carrying amount of goodwill relating to the subsidiary sold.

Goodwill on acquisition of jointly controlled entities and associates is included in investments in jointly controlled entities and investment in associates. Such goodwill is tested for impairment as part of the overall balance.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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E INTANGIBLE ASSETS (CONTINUED)

(b) Research and development

Research expenditure is recognised as an expense when incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

(i) It is technically feasible to complete the intangible asset so that it will be available for use or sale;
(ii) management intends to complete the intangible asset and use or sell it;
(iii) there is an ability to use or sell the intangible asset;
(iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
(v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
(vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding 3 years.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. See accounting policy G on impairment of non-financial assets.

(c) Licenses

Acquired licenses are shown at cost. Licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of the acquired licenses over their estimated useful lives of 10 to 50 years.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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F BIOLOGICAL ASSETS

Biological assets represents broodstocks (i.e. mother fish) are stated at cost less accumulated amortisation and impairment losses. See accounting policy G on impairment of non-financial assets.

All costs incurred on immature broodstocks are capitalised until such time when the broodstocks commence breeding at the estimated age of 36 months. Costs incurred on immature broodstocks consist of the acquisition cost of the mother fish, cost of feeds and medication, direct labour cost and an appropriate proportion of farm operating overheads.

Maintenance costs of broodstocks after commencement of breeding are recognised in the income statement.

The costs of broodstocks are amortised over the expected reproductive live span of the respective fish for 5 years.

Gains and losses on disposal are determined by comparing disposal proceeds with carrying amounts and are recognised in profit or loss in the year of the disposal.

G IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

H FINANCIAL ASSETS

(a) Classification

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'concession receivables', 'trade and other receivables', 'amounts owing from subsidiaries', 'amounts owing from associates', 'amount owing from a jointly controlled entity', 'amount owing from a related company', 'cash held under housing development accounts' and 'deposits, cash and bank balances' in the statement of financial position (Notes 23, 28, 29 and 30).

Concession receivables

Upon adoption of IC Interpretation 12 "Service Concession Arrangements", the Group recognises a financial asset arising from a service concession arrangement when the operator has an unconditional right to receive cash or another financial asset from the grantor in remuneration for concession services. Such financial assets are recognised in the statement of financial position, for the amount of the fair value of the infrastructure at initial recognition and subsequently at amortised cost.
The operator has such an unconditional right if the grantor contractually guarantees the payment of amounts specified or determined in the contract or the shortfall, if any, between amounts received and amounts specified or determined in the contract even if payment is contingent on the operator ensuring that the infrastructure meets specified quality or efficiency requirements.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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H FINANCIAL ASSETS (CONTINUED)

(a) Classification (continued)

Concession receivables (continued)

An impairment loss is recognised if the carrying amount of these assets exceeds the present value of future cash flows discounted at the initial effective interest rate. The portion falling due within one year is included in current assets, while the portion falling due more than one year after the end of the reporting period is presented in the non-current assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

(b) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

(c) Subsequent measurement – gains and losses

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interest and dividend income are recognised in profit or loss in the period in which the changes arise.

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, except for impairment losses (see accounting policy Note H(d)) and foreign exchange gains and losses on monetary assets. The exchange differences on monetary assets are recognised in profit or loss, whereas exchange differences on non-monetary assets are recognised in profit or loss as part of fair value change.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss. Interest on available-for-sale debt securities calculated using the effective interest method is recognised in profit or loss. Dividend income on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

H FINANCIAL ASSETS (CONTINUED)

(d) Subsequent measurement - Impairment of financial assets

Assets carried at amortised cost

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

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- Disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
  (i) adverse changes in the payment status of borrowers in the portfolio; and
  (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If 'loans and receivables' has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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H FINANCIAL ASSETS (CONTINUED)

(d) Subsequent measurement - Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

Assets classified as available-for-sale

The Group assesses at the end of the reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For debt securities, the Group uses criteria and measurement of impairment loss applicable for 'assets carried at amortised cost' above. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

In the case of equity securities classified as available-for-sale, in addition to the criteria for 'assets carried at amortised cost' above, a significant or prolonged decline in the fair value of the security below its cost is also considered as an indicator that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in profit or loss. The amount of cumulative loss that is reclassified to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are not reversed through profit or loss.

(e) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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H FINANCIAL ASSETS (CONTINUED)

(f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

I FINANCIAL LIABILITIES

A financial liability is any liability that is contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

Financial liabilities are recognised in the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When financial liabilities are recognised initially, they are measured at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

The Group classifies its financial liabilities as other financial liabilities and financial guarantee contracts. The classification depends on the purpose for which the financial liabilities were issued. Management determines the classification of its financial liabilities at initial recognition.

Other financial liabilities of the Group comprise, 'amounts owing to associates', 'trade and other payables', 'borrowings' and 'advances from subsidiaries' in the statement of financial position. (Notes 28, 36, 38 and 39).

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the other financial liabilities are derecognised, and through the amortisation process.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expired.

GOLDIS BERHAD
(Incorporated in Malaysia)

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

### J SERVICE CONCESSION ARRANGEMENTS

A portion of the Group's assets are within the framework of concession contracts granted by the government ("the grantor"). In order to fall within the scope of concession contract, a contract must satisfy the following two criteria:

- The grantor controls or regulates what services the operator must provide with the infrastructure assets, to whom it must provide them, and at what price; and
- The grantor controls the significant residual interest in the infrastructure assets at the end of the term of the arrangement.

Such infrastructure assets are not recognised by the Group as property, plant and equipment but as financial assets as described in Note H(a).

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction and operating services. Financial assets are accounted for in accordance with the accounting policy set out in Note H(a).

The Group recognises revenue from construction and operation of infrastructure assets in accordance with its revenue recognition policy set out in Note Y.

The Group has entered into service concession arrangements with the government of the People's Republic of China ("PRC") to construct and operate waste water treatment plants for a period ranging from 23 to 25 years. The terms of arrangement allows the Group to maintain and manage these treatment plants and received consideration based on the water usage and rates as determined by the grantor for entire duration of the concession.

### K FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are contracts that require the Group or Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with FRS 137 "Provisions, contingent liabilities and contingent assets" and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where financial guarantees in relation to loans or payables of subsidiaries are provided by the Company for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of investment in subsidiaries.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

L LEASES

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment, or series of payments, the right to use an asset for an agreed period of time.

(a) Accounting by lessee

Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of interest on the remaining balance of the liability. The corresponding rental obligations, net of finance charges, are included in payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and its useful life.

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease expense.

Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on the straight line basis over the lease period.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are recognised in profit or loss when incurred.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

M NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the attributable results and financial position are presented or disclosed separately.

N TRADE RECEIVABLES

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (see accounting policy H(d) on impairment of financial assets).

O INVENTORIES

Inventories are stated at the lower of cost and net realisable value.

(a) Unsold properties

The cost of unsold properties is stated at the lower of historical cost and net realisable value. Historical cost includes, where relevant, cost associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended case, related development costs to projects, direct building costs and other costs of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

(b) Other inventories

Cost is determined using the first-in-first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and applicable variable selling expenses.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

P CONSTRUCTION CONTRACTS

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract is recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent agreed with the customer and are capable of being reliably measured.

The Group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within 'trade and other receivables'. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

Q PROPERTY DEVELOPMENT ACTIVITIES

(a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate costs as allowed by FRS 201 "Property development activities". Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount (see accounting policy G on impairment of non-financial assets).

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where development activities can be completed within the Group's normal operating cycle.

(b) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses in respect of development units sold are recognised by using the stage of completion method. The stage of completion is measured by reference to the property development costs incurred up to the end of the reporting period as a percentage of total estimated costs for the property development.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable; property development costs on the development units sold are recognised as an expense when incurred.

Irrespective of whether the outcome of a property development activity can be estimated reliably, when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, the expected loss is recognised as an expense immediately.

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

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

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

R CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short term, highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

S SHARE CAPITAL

(a) Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

(b) Share issue costs

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(c) Dividends

Dividends on ordinary shares are recognised as liabilities when declared before the reporting date. A dividend declared after the reporting date, but before the financial statements are authorised for issue, is not recognised as a liability at the reporting date.

Distributions to holders of an equity instrument are debited directly to equity, net of any related income tax benefit and the corresponding liability is recognised in the period in which the dividends are approved.

(d) Purchase of own shares

Where the Company or its subsidiaries purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental external costs, net of tax, is included in equity attributable to the Company's equity holders as treasury shares until they are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the Company's equity holders.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

T PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

U BORROWINGS AND BORROWING COSTS

(a) Classification

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between initial recognised amount and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method, except for borrowing costs incurred for the construction of any qualifying assets.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting period.

(b) Capitalisation of borrowing costs

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

All other borrowing costs are charged to profit or loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the drawdown occurs to the extend there is no evidence that it is probable that some or all the facility will be drawdown. The fee is capitalised as a prepayment for a liquidity services and amortised over the period of the facility of which it relates.

## V CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The liability is measured using the single best estimate of the most likely outcome.

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable profits, including withholding taxes payable by a foreign subsidiary or associate on distributions of retained earnings to companies in the Group, and real property gains taxes payable on disposal of properties.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the group the ability to control the reversal of the temporary difference not recognised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

W EMPLOYEE BENEFITS

(a) Short term employee benefits

The Group recognises a liability and an expense for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(b) Post-employment benefits - Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to the employee service in the current and prior periods.

The Group's contribution to defined contribution plans, including the national defined contribution plan, the Employees' Provident Fund ("EPF") are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan under which the entity receives services from employees (including Directors) as consideration for equity instrument (options) of the Group. The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in profit or loss over the vesting periods of the grant with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, including any market performance conditions; excluding the impact of any service and non-market vesting conditions; and including the impact of any non-vesting conditions. Non-market vesting conditions are included in the assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of the reporting period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to share option reserve in equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

The Group has taken advantage of the transitional provision of FRS 2 in respect of equity instruments granted after 31 December 2004 and not vested as at 1 February 2006.

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## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

### W EMPLOYEE BENEFITS (CONTINUED)

(d) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated by the group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of when the group can no longer withdraw the offer of those benefits; or when the entity recognises costs for a restructuring that is within the scope of FRS 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### X CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

### Y REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of goods and services tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the income have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

Y REVENUE RECOGNITION (CONTINUED)

(a) Investment income

Management fees and project management fees are recognised on an accrual basis. Revenue from the rendering of services is recognised based on performance of services.

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate. Income arising from the disposal of investments is taken to profit or loss upon disposal of investment.

Dividend income is recognised as income when the Group's right to receive payment is established.

(b) Income from property development

Income from property development is recognised on the stage of completion method based on units sold, and where the outcome of the development projects can be reliably estimated. Anticipated losses are recognised in full. The stage of completíon is determined based on the proportion of property development costs incurred over the estimated total costs for the property development.

Income from construction contracts is recognised on the stage of completion method in cases where the outcome of the contract can be reliably estimated. The stage of completion of a construction contract is determined based on the proportion of construction contract costs incurred over the estimated total costs for the construction contract. In all cases, anticipated losses are recognised in full.

(c) Hotel revenue

Hotel revenue represents income derived from room rental and sales of food and beverage. Room rental income is accrued on a daily basis on customer-occupied rooms. Sales of food and beverage are recognised upon delivery to customers. Hotel revenue is recognised net of sales tax and discounts.

(d) Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements unless collectability is in doubt, in which case the recognition of such income is suspended. Rental income is shown net of rebates and discounts. Rental income includes base rent turnover or percentage rent, service and promotional charges from tenants. Base rent is recognised on a straight line basis over the lease. Turnover or percentage rent is recognised based on sale reported by tenants. Car park income is recognised. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income. Service and management charges are recognised in the accounting period in which the services are rendered. Other rent related and car park income is recognised upon services being rendered.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

Y REVENUE RECOGNITION (CONTINUED)

(e) Contract revenue

Revenue from waste water treatment plant and equipment design, planning, installation and commissioning contracts is recognised based on the percentage of completion method; the stage of completion is measured on the proportion of contract costs incurred for work performed to date over the estimated total contract costs.

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

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Where costs incurred in such contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is shown as amounts due from customers on contract. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on contracts.

(f) Utilities income

Revenue from electricity sales are recognised upon supply and distribution of electricity. Electricity income is recognised on an accrual basis. Revenue comprises the fair value of the consideration received or receivables for the electricity distributed in the ordinary course of activities.

Z FOREIGN CURRENCIES

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(b) Transactions and balances

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

Foreign exchange gains and losses is presented in profit or loss within 'other gain/(losses)'.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

Z FOREIGN CURRENCIES (CONTINUED)

(b) Transactions and balances (continued)

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
(ii) Income and expenses for each statement of comprehensive income or income statement are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
(iii) All resulting exchange differences are recognised as a separate component of other comprehensive income.

Goodwill and fair value adjustments arising on the acquisitions of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

On the disposal of a foreign operation, all of the exchange differences relating to that foreign operation recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

## AA DEFERRED REVENUE

Deferred revenue represents unearned revenue from web-site maintenance contracts, leasing and car park operations which will be recognised in profit or loss upon expiry, utilisation or performance of services.

## AB SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors that makes strategic decisions.

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments.

Segment revenue, expenses, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013

1 GENERAL INFORMATION

The principal activities of the Company are investment holding and the provision of management services.

The principal activities of the Group mainly consist of property development, property investment and management, owner and operator of malls, hotel operations, constructions, information and communication technology services, provision of engineering services for water treatment plants and related services, aquaculture, investment holding and management of real estate investment trust.

There have been no significant changes in the nature of these activities during the financial period other than the disposal of mobile communication technology provider operation during the financial period.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office and the principal place of business of the Company is as follows:

Suite 28-03, Level 28, GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23 April 2014.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including:

- foreign currency exchange risk – risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates
- interest rate risk – risk that the value of a financial instrument will fluctuate due to changes in market interest rates
- credit risk – risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss
- price risk - risk that the value of a financial instrument will fluctuate due to changes in equity prices

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Group's activities expose it to a variety of financial risks, including: (continued)

- cash flow risk – risk that future cash flows associated with a financial instrument will fluctuate. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value
- liquidity risk (funding risk) – risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies. The management regularly reviews these risks and approves the policies, which covers the management of these risks.

(i) Financial Risk Factors

(a) Foreign currency exchange risk

The Group is exposed to foreign currency risk as a result of the foreign currency transactions entered into with companies in currencies other than their functional currency; primarily with respect to Australian Dollar and Chinese Renminbi recognised assets and liabilities. The Group mitigates its currency risk exposure by maintaining foreign currency bank accounts for the underlying foreign currency transactions, where possible. The exposure of the Group to currency fluctuations are kept at an acceptable level.

Currency exposure arising from the net assets of the Group's foreign operations is managed through borrowings denominated in the relevant foreign currencies. Thus, the exposure of currency risk of the Group is minimal.

(b) Interest rate risk

The Group's interest rate risk arises from term loans and revolving credits. Borrowings issued at variable rates exposes the Group to cash flow interest rate risk. The Group's income and operating cash flows are substantially independent of changes in market interest rates. This is due to a significant portion of the borrowings is made up of fixed rate term loan taken by the Group which locks in the interest rate against any fluctuation. The Group currently maintain approximately 91% (31.1.2013: 84%) of its borrowings in fixed rate instruments. The Group is not exposed to fair value interest rate risk as its borrowings are carried at amortised cost rather than fair value. Sensitivity analysis for interest rate changes is unrepresentative as the Group does not use variable rates in managing its interest rate risk.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Financial Risk Factors (continued)

(c) Credit risk

Exposure to credit risk arises mainly from sales made on deferred credit terms. Risks arising are minimised through effective monitoring of receivables and suspension of sales to customers which accounts exceed the stipulated credit terms. The Group also seeks to control credit risk by setting counterparty limits and limiting the Group's association to business partners with high credit worthiness.

The Group also seeks to invest cash assets safely and profitably. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential loss.

The Group has no significant concentrations of credit risk except that the majority of its deposits are placed with major financial institutions in countries in which the Group operates.

Credit quality of financial assets

Information regarding credit quality of trade and other receivables is disclosed in Note 29. Deposits with banks and other financial institutions and investment securities are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Trade and other receivables that are neither past due nor impaired are substantially companies with no history of default with the Group.

Credit risk arising from property development

The Group does not have any significant credit risk from its property development activities as its services and products are predominantly rendered and sold to a large number of property purchasers using financing from reputable end-financiers.

Trade receivables are monitored on an on-going basis via Group management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does the Group have any major concentration of credit risk related to any financial institutions.

Credit risks with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

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FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Financial Risk Factors (continued)

(c) Credit risk (continued)

Credit risk arising from property investment – office towers and malls

Credit risks arising from outstanding receivables from the tenants are minimised and monitored by strictly limiting the Group's association to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis. Credit risk with respect to trade receivables is limited due to the nature of business which is predominantly rental related and cash based. The Group historical experience in collection of trade receivables falls within the receivables allowance. Furthermore, the tenants have placed security deposits with the Group which acts as collateral. Due to these factors, no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

Credit risk arising from other activities of the Group

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of customers. The Group's historical experience in collection of trade receivables falls within the recorded allowances. Due to these factors, no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

At the Company level, credit risk arises from advances to subsidiaries. The Company manages its credit risks by performing regular reviews of the ageing profile of advances to subsidiaries.

Credit risk arising from deposits with licensed banks

Credit risk also arises from deposits with licensed banks and financial institutions. The deposits are placed with credit worthy financial institutions. The Group consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely in view of the financial strength of these financial institutions. Bank deposits are mainly deposits with banks with high credit international credit rating agencies.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the statements of financial position, except as follows:

| | Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Corporate guarantees provided to banks on subsidiaries' facilities | 9,893 | 12,831 |

Management is of the view that the corporate guarantee is unlikely to be called upon as the subsidiary company will not default on the loan payments when due.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Financial Risk Factors (continued)

(d) Price risk

The Group is exposed to debt and equity securities price risk because of investments held by the Group and classified on the statement of financial position either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investment in debt and equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. Thus, the exposure of price risk of the Group is minimal.

The Group's investments in the debt and equity securities are listed on the Bursa Malaysia Securities Berhad ("Bursa Malaysia"), New York Stock Exchange, Hong Kong Stock Exchange, Singapore Stock Exchange, London Stock Exchange, Australian Securities Exchange, Borsa Italiana and Euronext Paris.

(e) Liquidity and cash flow risks

The Group practices prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flow is reviewed regularly to ensure that the Group is able to scale its commitments when they fall due.

Cash flows forecasting is performed in the operating entities of the Group and aggregated for group purposes. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio targets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Financial Risk Factors (continued)

(e) Liquidity and cash flow risks (continued)

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

| | Less than 1 year RM'000 | Between 1 and 2 years RM'000 | Between 2 and 5 years RM'000 | Total RM'000 |
|---|---|---|---|---|
| Group | | | | |
| At 31.12.2013 | | | | |
| Trade and other payables (excluding deferred revenue) | 491,582 | 45,479 | 27,926 | 564,987 |
| Interest bearing bank borrowings | 338,184 | 155,938 | 1,508,028 | 2,002,150 |
| Hire-purchase and finance lease payables | 89 | 79 | 133 | 301 |
| Amounts owing to associates | 4,107 | - | - | 4,107 |
| | 833,962 | 201,496 | 1,536,087 | 2,571,545 |
| At 31.1.2013 (restated) | | | | |
| Trade and other payables (excluding deferred revenue) | 378,125 | 37,214 | 27,509 | 442,848 |
| Interest bearing bank borrowings | 444,413 | 116,554 | 1,676,411 | 2,237,378 |
| Hire-purchase and finance lease payables | 81 | 85 | 71 | 237 |
| Amounts owing to associates | 22,487 | - | - | 22,487 |
| | 845,106 | 153,853 | 1,703,991 | 2,702,950 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(i) Financial Risk Factors (continued)

(e) Liquidity and cash flow risks (continued)

| | Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | Less than 1 year | Less than 1 year |
| | RM'000 | RM'000 |
| Trade and other payables | 459 | 489 |
| Advances from subsidiaries | 26 | 26 |
| Corporate guarantees provided to banks on subsidiaries' facilities | 9,893 | 12,831 |
| | 10,378 | 13,346 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(ii) Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total interest bearing bank borrowings divided by total equity. Total debt is calculated as total interest bearing bank borrowings and hire-purchase and finance lease payables (including short term and long term borrowings) as shown in the statement of financial position. The gearing ratio as at 31 December 2013 were as follows:

| | 31.12.2013<br>RM'000 | Restated<br>31.1.2013<br>RM'000 |
|---|---|---|
| Group | | |
| Total debt | 1,748,466 | 1,889,646 |
| Total equity attributable to owners of the parent | 1,730,069 | 1,546,503 |
| Gearing ratio | 1.01 : 1.00 | 1.22 : 1.00 |
| Company | | |
| Total debt | - | - |
| Total equity | 1,007,009 | 972,309 |
| Gearing ratio | 0.00 : 1.00 | 0.00 : 1.00 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category

| | Available-for-sale RM'000 | Assets at fair value through profit or loss RM'000 | Loans and receivables RM'000 | Total RM'000 |
|---|---|---|---|---|
| Group | | | | |
| At 31.12.2013 | | | | |
| Assets as per statement of financial position | | | | |
| Non-current | | | | |
| Available-for-sale financial assets | 9,857 | - | - | 9,857 |
| Concession receivables | - | - | 57,703 | 57,703 |
| Deposits, cash and bank balances | - | - | 95,000 | 95,000 |
| Current | | | | |
| Available-for-sale financial assets | 49,914 | - | - | 49,914 |
| Financial assets at fair value through profit or loss | - | 16,927 | - | 16,927 |
| Concession receivables | - | - | 6,198 | 6,198 |
| Amounts owing from associates | - | - | 86,758 | 86,758 |
| Amount owing from related company | - | - | 22 | 22 |
| Trade and other receivables (excluding prepayments and accrued billings) | - | - | 137,352 | 137,352 |
| Cash held under Housing Development Accounts | - | - | 32,984 | 32,984 |
| Deposits, cash and bank balances | - | - | 1,057,170 | 1,057,170 |
| Total | 59,771 | 16,927 | 1,473,187 | 1,549,885 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category (continued)

| | Other financial liabilities at amortised cost RM'000 | Total RM'000 |
|---|---|---|
| Group | | |
| At 31.12.2013 | | |
| Liabilities as per statement of financial position | | |
| Non-current | | |
| Trade and other payables | 73,405 | 73,405 |
| Hire-purchase and finance lease payables | 194 | 194 |
| Interest bearing bank borrowings | 1,484,909 | 1,484,909 |
| Current | | |
| Trade and other payables (excluding deferred revenue) | 491,582 | 491,582 |
| Hire-purchase and finance lease payables | 75 | 75 |
| Interest bearing bank borrowings | 263,288 | 263,288 |
| Amounts owing to associates | 4,107 | 4,107 |
| Total | 2,317,560 | 2,317,560 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category (continued)

| | Available-for-sale RM'000 | Assets at fair value through profit or loss RM'000 | Loans and receivables RM'000 | Total RM'000 |
|---|---|---|---|---|
| Group | | | | |
| At 31.1.2013 (restated) | | | | |
| Assets as per statement of financial position | | | | |
| Non-current | | | | |
| Available-for-sale financial assets | 50 | - | - | 50 |
| Concession receivables | - | - | 43,161 | 43,161 |
| Deposits, cash and bank balances | - | - | 95,000 | 95,000 |
| Current | | | | |
| Available-for-sale financial assets | 58,809 | - | - | 58,809 |
| Financial assets at fair value through profit or loss | - | 13,424 | - | 13,424 |
| Concession receivables | - | - | 9,595 | 9,595 |
| Amounts owing from associates | - | - | 66,025 | 66,025 |
| Trade and other receivables (excluding prepayments and accrued billings) | - | - | 188,940 | 188,940 |
| Cash held under Housing Development Accounts | - | - | 5,259 | 5,259 |
| Deposits, cash and bank balances | - | - | 2,079,970 | 2,079,970 |
| Total | 58,859 | 13,424 | 2,487,950 | 2,560,233 |

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NOTES TO THE FINANCIAL STATEMENTS
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2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category (continued)

| | Other financial liabilities at amortised cost RM'000 | Total RM'000 |
|---|---|---|
| Group | | |
| At 31.1.2013 (restated) | | |
| Liabilities as per statement of financial position | | |
| Non-current | | |
| Trade and other payables | 64,723 | 64,723 |
| Hire-purchase and finance lease payables | 144 | 144 |
| Interest bearing bank borrowings | 1,526,581 | 1,526,581 |
| Current | | |
| Trade and other payables (excluding deferred revenue) | 378,125 | 378,125 |
| Hire-purchase and finance lease payables | 70 | 70 |
| Interest bearing bank borrowings | 362,851 | 362,851 |
| Amounts owing to associates | 22,487 | 22,487 |
| Total | 2,354,981 | 2,354,981 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category (continued)

| | Available-for-sale RM'000 | Assets at fair value through profit or loss RM'000 | Loans and receivables RM'000 | Total RM'000 |
|---|---|---|---|---|
| Company | | | | |
| At 31.12.2013 | | | | |
| Assets as per statement of financial position | | | | |
| Non-current | | | | |
| Available-for-sale financial assets | 9,807 | - | - | 9,807 |
| Current | | | | |
| Available-for-sale financial assets | 49,069 | - | - | 49,069 |
| Financial assets at fair value through profit or loss | - | 16,533 | - | 16,533 |
| Amount owing from subsidiaries | - | - | 42,116 | 42,116 |
| Trade and other receivables (excluding prepayments) | - | - | 1,725 | 1,725 |
| Deposits, cash and bank balances | - | - | 88,583 | 88,583 |
| Total | 58,876 | 16,533 | 132,424 | 207,833 |

| | Other financial liabilities at amortised cost RM'000 | Liabilities at fair value through profit and loss RM'000 | Total RM'000 |
|---|---|---|---|
| Liabilities as per statement of financial position | | | |
| Current | | | |
| Trade and other payables | 459 | - | 459 |
| Advances from subsidiaries | 26 | - | 26 |
| Financial guarantee contract | - | - | - |
| Total | 485 | - | 485 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iii) Financial instruments by category (continued)

| | Available-for-sale RM'000 | Assets at fair value through profit or loss RM'000 | Loans and receivables RM'000 | Total RM'000 |
|---|---|---|---|---|
| Company | | | | |
| At 31.1.2013 | | | | |
| Assets as per statement of financial position | | | | |
| Current | | | | |
| Available-for-sale financial assets | 56,224 | - | - | 56,224 |
| Financial assets at fair value through profit or loss | - | 12,920 | - | 12,920 |
| Amount owing from subsidiaries | - | - | 53,928 | 53,928 |
| Trade and other receivables (excluding prepayments) | - | - | 8,120 | 8,120 |
| Deposits, cash and bank balances | - | - | 43,383 | 43,383 |
| Total | 56,224 | 12,920 | 105,431 | 174,575 |

| | Other financial liabilities at amortised cost RM'000 | Liabilities at fair value through profit and loss RM'000 | Total RM'000 |
|---|---|---|---|
| Liabilities as per statement of financial position | | | |
| Current | | | |
| Trade and other payables | 489 | - | 489 |
| Advances from subsidiaries | 26 | - | 26 |
| Financial guarantee contract | - | 29 | 29 |
| Total | 515 | 29 | 544 |

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iv) Fair values

The carrying amounts of the following financial assets and liabilities approximate their fair values due to the relatively short term maturity of these financial instruments: receivables, deposits, cash and bank balances, and payables other than those disclosed in Note 36.

Fair value estimation

In estimating the financial instruments carried at fair value, there are, in general, three different levels which can be defined as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Valuation inputs (other than level 1 input) that are observable for the asset or liability, either directly or indirectly
- Level 3 – Valuation inputs that are not based on observable market data

The following table presents the Group's and Company's financial assets and liabilities that are measured at fair value:

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Level 1 | | | | |
| Financial assets at fair value through profit or loss | | | | |
| - trading securities | 16,927 | 13,424 | 16,533 | 12,920 |
| Available-for-sale financial assets | | | | |
| - equity securities | 49,914 | 58,809 | 49,069 | 56,224 |
| | 66,841 | 72,233 | 65,602 | 69,144 |
| Level 2 | | | | |
| Available-for-sale financial assets | | | | |
| - equity securities | 9,807 | - | 9,807 | - |
| | 76,648 | 72,233 | 75,409 | 69,144 |

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(iv) Fair values (continued)

Financial assets at fair value through profit or loss and available-for-sale financial assets

If there are quoted market prices in active markets, these are considered Level 1. If such quoted market prices are not available, fair values are determined using market prices for similar assets or present value techniques, applying an appropriate risk-free interest rate adjusted for non-performance risk. The inputs used in present value techniques are observable and fall into the Level 2 category. It is classified into the Level 3 category if significant unobservable inputs are used.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's result and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are outlined below:

(a) Consolidation of entities in which the Group holds less than 50%

The Directors of the Group made significant judgements that the following subsidiary is controlled by the Group, even though the Group holds less than half of the voting rights.

The Directors consider that the Group has de facto control of IGB Corporation Berhad ("IGB") even though it has less than 50% of the voting rights. This is because the Group is the single largest shareholder of IGB with a 31.63% (31.1.2013: 30.34%) equity interest. The Company together with certain Directors and family members ("the Family") collectively hold direct and indirect equity interest in IGB.

All other shareholders individually own less than 6% each of its equity shares.

There is no history of shareholders other than the Company and the Family forming a group to exercise their votes in IGB collectively.

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NOTES TO THE FINANCIAL STATEMENTS
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3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Impairment of investments

Investment in subsidiaries and associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries and associates, which involves uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's test for impairment of investments.

(c) Recognition of property development profits

When the outcome of the development activity can be estimated reliably and the sale of the development unit is effected, the Group recognises property development profits and costs by reference to the stage of completion of the development activity at the reporting date. The stage of completion is determined based on the proportion that the property development costs incurred to-date bear to the estimated total costs for the property development.

When the outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that is probably will be recovered and the property development costs on the development units sold are recognised when incurred.

Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development costs, the expected loss is recognised as an expense in the period in which the loss is identified.

Significant judgement is required in the estimation of total property development costs. Where the actual total property development costs is different from the estimated total property development costs, such difference will impact the property development profits/(losses) recognised.

(d) Taxation

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

Recognition of deferred tax assets, which principally relate to tax losses, depends on the expectation of future taxable profits that will be available against which tax losses can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING

The Group is organised into five main business segments:

(a) Property investment and management
(b) Property development
(c) Hotel
(d) Construction
(e) Investment holding
(f) Others *

* Others comprise primarily the other operations of the Group, which are not of a sufficient size to be reported separately.

The results of Macro Kiosk Berhad and its subsidiaries are presented as profit after taxation from discontinued operations (Note 6) as the disposal of Macro Kiosk Berhad was completed on 19 July 2013. Macro Kiosk Berhad and its subsidiaries are part of the others business segment.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| Financial Period Ended 31 December 2013 | | | | | | | |
| Total segment revenue | 605,069 | 142,054 | 360,413 | 193,511 | 73,212 | 96,296 | 1,470,555 |
| Inter-segment revenue | (45,656) | - | (7,463) | (187,436) | (71,043) | (40,275) | (351,873) |
| Revenue from external customers | 559,413 | 142,054 | 352,950 | 6,075 | 2,169 | 56,021 | 1,118,682 |
| Segment results | 300,339 | 74,828 | 91,544 | 2,311 | (691) | (1,213) | 467,118 |
| Unallocated expenses | | | | | | | (42,800) |
| Profit from operations | | | | | | | 424,318 |
| Finance income | | | | | | | 46,518 |
| Finance costs | | | | | | | (76,598) |
| Share of results of associates | | | | | | | 17,935 |
| Profit before taxation | | | | | | | 412,173 |
| Taxation | | | | | | | (102,280) |
| Profit for continuing operations | | | | | | | 309,893 |
| Profit for discontinued operations | | | | | | | 20,052 |
| Profit for the period | | | | | | | 329,945 |

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NOTES TO THE FINANCIAL STATEMENTS
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4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| At 31.12.2013 | | | | | | | |
| **Other information:** | | | | | | | |
| **Assets** | | | | | | | |
| Segment assets | 2,680,078 | 410,336 | 2,405,635 | 132,563 | 82,450 | 212,905 | 5,923,967 |
| Associates | | | | | | | 390,598 |
| Unallocated assets: | | | | | | | |
| - Deposits, cash and bank balances | | | | | | | 1,185,154 |
| - Others | | | | | | | 1,649 |
| Total assets | | | | | | | 7,501,368 |
| **Liabilities** | | | | | | | |
| Segment liabilities | 1,744,849 | 274,082 | 181,904 | 81,090 | 514 | 40,026 | 2,322,465 |
| Unallocated liabilities | | | | | | | 346,374 |
| Total liabilities | | | | | | | 2,668,839 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| Financial Period Ended 31.12.2013 | | | | | | | |
| Incurred for the financial year: | | | | | | | |
| Capital expenditure: | | | | | | | |
| - Property, plant and equipment | 2,528 | 1,283 | 55,459 | 28 | 36 | 59,328 | 118,662 |
| - Investment properties | 350,782 | - | - | - | - | - | 350,782 |
| - Intangible assets | - | - | - | - | - | 439 | 439 |
| - Biological assets | - | - | - | - | - | 13 | 13 |
| Depreciation of property, plant & equipment | 5,643 | 1,504 | 69,100 | 37 | 74 | 2,133 | 78,491 |
| Amortisation: | | | | | | | |
| - Investment properties | 63,615 | - | - | - | - | - | 63,615 |
| - Intangible assets | - | - | - | - | - | 259 | 259 |
| - Biological assets | - | - | - | - | - | 132 | 132 |
| - Long term prepaid lease | - | - | 234 | - | - | - | 234 |
| Impairment loss: | | | | | | | |
| - Property, plant and equipment | - | - | - | - | - | 166 | 166 |
| Write-off: | | | | | | | |
| - Property, plant and equipment | - | 22 | 10,495 | - | - | 241 | 10,758 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| Financial Year Ended 31.1.2013 (restated) | | | | | | | |
| Total segment revenue | 595,705 | 114,327 | 345,720 | 187,931 | 55,936 | 70,443 | 1,370,062 |
| Inter-segment revenue | (47,594) | - | (7,042) | (144,876) | (55,124) | (30,613) | (285,249) |
| Revenue from external customers | 548,111 | 114,327 | 338,678 | 43,055 | 812 | 39,830 | 1,084,813 |
| Segment results | 294,532 | 62,570 | 90,572 | 2,516 | (2,666) | 7,902 | 455,426 |
| Unallocated expenses | | | | | | | (38,211) |
| Profit from operations | | | | | | | 417,215 |
| Finance income | | | | | | | 36,901 |
| Finance costs | | | | | | | (79,657) |
| Share of results of associates | | | | | | | 10,418 |
| Gain on disposal of an associate | - | - | 9,180 | - | - | - | 9,180 |
| Profit before taxation | | | | | | | 394,057 |
| Taxation | | | | | | | (154,650) |
| Profit for continuing operations | | | | | | | 239,407 |
| Profit for discontinued operations | | | | | | | 29,444 |
| Profit for the year | | | | | | | 268,851 |

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FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| At 31.1.2013 (restated) | | | | | | | |
| **Other information:** | | | | | | | |
| **Assets** | | | | | | | |
| Segment assets | 2,418,034 | 245,060 | 1,691,636 | 152,307 | 81,456 | 522,194 | 5,110,687 |
| Assets held for sale | - | - | - | - | - | 71,331 | 71,331 |
| Associates | | | | | | | 355,794 |
| Unallocated assets: | | | | | | | |
| - Deposits, cash and bank balances | | | | | | | 2,180,229 |
| - Others | | | | | | | 5,893 |
| Total assets | | | | | | | 7,723,934 |
| **Liabilities** | | | | | | | |
| Segment liabilities | 1,761,468 | 83,387 | 173,683 | 4,831 | 744 | 129,414 | 2,153,527 |
| Liabilities held for sale | - | - | - | - | - | 56,290 | 56,290 |
| Unallocated liabilities | | | | | | | 457,154 |
| Total liabilities | | | | | | | 2,666,971 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| Financial Year Ended 31.1.2013 (restated) | | | | | | | |
| Incurred for the financial year: | | | | | | | |
| Capital expenditure: | | | | | | | |
| - Property, plant and equipment | 3,778 | 2,398 | 56,109 | 37 | 14 | 17,738 | 80,074 |
| - Investment properties | 98,541 | - | - | - | - | - | 98,541 |
| - Intangible assets | - | - | - | - | - | 318 | 318 |
| - Biological assets | - | - | - | - | - | 832 | 832 |
| Depreciation of property, plant & equipment | 20,729 | 779 | 60,007 | 170 | 89 | 4,600 | 86,374 |
| Amortisation: | | | | | | | |
| - Investment properties | 52,055 | - | - | - | - | - | 52,055 |
| - Intangible assets | - | - | - | - | - | 17 | 17 |
| - Biological assets | - | - | - | - | - | 90 | 90 |
| - Long term prepaid lease | - | - | 225 | - | - | - | 225 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

4 SEGMENT REPORTING (CONTINUED)

(a) Analysis by business segment (continued)

| | Property investment and management RM'000 | Property development RM'000 | Hotel RM'000 | Construction RM'000 | Investment holding RM'000 | Others RM'000 | Group RM'000 |
|---|---|---|---|---|---|---|---|
| Financial Year Ended 31.1.2013 (restated) (continued) | | | | | | | |
| Impairment loss: | | | | | | | |
| - Property, plant and equipment | - | - | - | - | - | 676 | 676 |
| - Intangible assets | - | - | - | - | - | 271 | 271 |
| - Available-for-sale financial assets | - | - | - | - | 201 | - | 201 |
| Reversal of impairment loss: | | | | | | | |
| - Property, plant and equipment | - | - | 10,000 | - | - | - | 10,000 |
| - Land held for property development | - | 10,000 | - | - | - | - | 10,000 |
| Write-off: | | | | | | | |
| - Property, plant and equipment | 1,117 | 5 | 8 | - | - | 8 | 1,138 |

The segmental financial information by geographical segment is not presented as the Group's activities are mainly carried out in Malaysia.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

5 ACQUISITION OF SUBSIDIARIES

(i) On 6 February 2013, the Company announced to Bursa Malaysia that the Company had acquired the entire issue and paid up capital in Steady Paramount Sdn Bhd comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00.

(ii) On 5 March 2013, the Group via its subsidiary, IGB Corporation Berhad ("IGB"), announced to Bursa Malaysia that it had acquired the entire issued shares of The Gardens Theatre Sdn Bhd for cash consideration of RM2.00.

(iii) On 15 March 2013, IGB announced to Bursa Malaysia that it had entered into two Share Sale Agreements with KrisAssets Holdings Berhad for the acquisitions of the entire issued and paid-up share capital of Mid Valley City Sdn Bhd ("MVC") and Mid Valley City Gardens Sdn Bhd ("MVCG") for cash consideration of RM100,000 each. MVC and MVCG are service providers for IGB Real Estate Investment Trust.

(iv) On 10 April 2013, IGB announced to Bursa Malaysia that it had acquired the entire issued shares of Megan Prestasi Sdn Bhd for cash consideration of RM2.00.

(v) On 22 May 2013, the Group announced to Bursa Malaysia that the Group had via its wholly owned subsidiary, Crest Spring Pte Ltd, incorporated a new subsidiary, New Water Co Ltd in The People's Republic of China, by way of subscription of registered capital for a cash consideration of USD 5 million (equivalent to RM15,215,000).

(vi) Distinctive Ace Sdn Bhd ("DASB")

On 19 June 2013, IGB announced to Bursa Malaysia that it had acquired 1,000,001 ordinary shares of RM1.00 each representing 50% and 1 share of the issued and paid-up share capital of DASB for a cash consideration of RM33,000,000.

Details of the net assets acquired were as follows:

| | Note | Fair value of identifiable assets and liabilites acquired RM'000 |
|---|---|---|
| Non- current assets: | | |
| Investment property | 16 | 44,956 |
| Current assets: | | |
| Prepayments | | 90 |
| Cash and bank balances | | 3 |
| | | 93 |
| Current liabilities: | | |
| Other creditors | | 674 |
| Amount owing to holding company | | 10,392 |
| | | 11,066 |
| Net assets acquired | | 33,983 |

5 ACQUISITION OF SUBSIDIARIES (CONTINUED)

(vii) On 25 October 2013, IGB announced to Bursa Malaysia that Pacific Land Sdn Bhd, a wholly-owned subsidiary, had acquired the entire issued shares of Eastwind Alliance Sdn Bhd for cash consideration of RM2.00.

6 DISPOSAL OF SUBSIDIARIES

A Disposal of a subsidiary during the financial period

On 8 July 2013, the Group entered into a Shares Sale Agreement with Mr. Goh Chee Ken, Mr. Goh Chee Heng and Mr. Goh Chee Seng ("the Purchaser") for the disposal of the 70% of the issued and paid-up share capital of MKB.

On 19 July 2013, the Company had completed the disposal of its entire equity interest in Macro Kiosk Berhad ("MKB"), comprising 3,500,000 ordinary shares of RM1.00 each for a net disposal proceed of RM22.3 million.

Following the completion of the disposal, MKB ceased to be a subsidiary of the Company.

Details of the disposal are as follows:

| | At date of disposal RM'000 |
|---|---:|
| Property, plant and equipment | 4,150 |
| Intangible assets | 1,148 |
| Deferred tax assets | 1,805 |
| Inventories | 8 |
| Trade and other receivables | 43,068 |
| Tax recoverable | 551 |
| Deposits, cash and bank balances | 19,316 |
| Trade and other payables | (54,623) |
| Hire purchase and finance lease payables | (1,104) |
| Redeemable preference shares | (8,000) |
| Net assets | 6,319 |
| Exchange fluctuation reserve | 226 |
| Non-controlling interests | (2,034) |
| | 4,511 |
| Net disposal proceeds | (22,315) |
| Gain on disposal to the Group | (17,804) |

The net cash flows on disposal was determined as follows:

| | |
|---|---:|
| Total proceeds from disposal-cash consideration | 22,315 |
| Cash and cash equivalents of subsidiary disposed of | (19,316) |
| Cash inflow to the Group on disposal | 2,999 |

6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

B The Group disposed the following subsidiaries in the previous financial year

(a) On 2 October 2012, the Group has via its wholly-owned subsidiary, GoldChina Sdn Bhd disposed of its equity interest in Manax Limited, comprising 2 ordinary shares of HKD100 each for a cash consideration of HKD100,000 (equivalent to RM40,300). Following the completion of the disposal, Manax Limited ceased to be a subsidiary of the Company.

(b) On 31 January 2013, the Group has via its wholly-owned subsidiary, Triple Hallmark Sdn Bhd, disposed of 51% equity interests held in G City Club Hotel Sdn Bhd ("G City") and Elements Gym Sdn Bhd ("EGSB"), comprising 51,000 ordinary shares of RM1.00 each respectively for a cash consideration of RM10,000 and RM1,000 respectively, resulting in G City and EGSB becoming associates of the Group.

Details of the disposals are as follows:

| | At date of disposal RM'000 |
|---|---|
| Property, plant and equipment (Note 14) | 27,044 |
| Available-for-sale financial assets | 241 |
| Deferred tax assets | 2,671 |
| Inventories | 3,821 |
| Trade and other receivables | 8,580 |
| Amounts owing from related companies | 55 |
| Deposits, cash and bank balances | 1,995 |
| Trade and other payables | (19,954) |
| Amounts owing to related companies | (13,781) |
| Current tax liabilities | (46) |
| Interest bearing bank borrowings | (31,104) |
| Deferred revenue | (9,756) |
| Net liabilities | (30,234) |
| Exchange fluctuation reserve | (6,366) |
| Non-controlling interest | (1,694) |
| | (38,294) |
| Net disposal proceeds | (51) |
| Fair value of interest retained | (10) |
| Waiver of inter-company balance | 13,726 |
| Gain on disposal to the Group | (24,629) |

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NOTES TO THE FINANCIAL STATEMENTS
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6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

B The Group disposed the following subsidiaries in the previous financial year (continued)

| | At date of disposal RM'000 |
|---|---|
| The net cash flows on disposals were determined as follows: | |
| Total proceeds from disposal – cash consideration | 51 |
| Cash and cash equivalents of subsidiaries disposed of | (1,995) |
| Cash outflow to the Group on disposal | (1,944) |

C DISCONTINUED OPERATIONS

The financial information relating to the discontinued operations for the period up to the date of disposal is set out below:

(i) Results

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 RM'000 | Restated Year ended 31.1.2013 RM'000 |
| Revenue | 69,160 | 183,979 |
| Cost of sales | (51,562) | (139,373) |
| Gross profit | 17,598 | 44,606 |
| Other income | 156 | 1,024 |
| Selling and distribution expenses | (7,400) | (13,440) |
| Administrative expenses | (7,413) | (19,276) |
| Other expenses | (239) | (7,052) |
| Operating profit | 2,702 | 5,862 |
| Finance income | 58 | 130 |
| Finance costs | (46) | (1,876) |
| Profit before taxation from discontinued operations | 2,714 | 4,116 |
| Taxation | (466) | 699 |
| Profit after taxation from discontinued operations | 2,248 | 4,815 |
| Gain on disposal of subsidiaries | 17,804 | 24,629 |
| Total gain from discontinued operations | 20,052 | 29,444 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

C DISCONTINUED OPERATIONS (CONTINUED)

(i) Results (continued)

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 RM'000 | Restated Year ended 31.1.2013 RM'000 |
| Revenue | | |
| Rendering of services | 69,160 | 143,681 |
| Sale of goods | - | 25,919 |
| Hotel room revenue and others | - | 14,379 |
| | 69,160 | 183,979 |
| Cost of sales | | |
| Cost of goods sold | 51,461 | 106,363 |
| Changes in inventories of finished goods | - | 220 |
| Raw materials and consumables used | - | 21,236 |
| Property, plant and equipment - depreciation | 101 | 2,221 |
| Amortisation of intangible assets | - | 281 |
| Employee benefits cost | - | 3,456 |
| Others | - | 5,596 |
| | 51,562 | 139,373 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

C DISCONTINUED OPERATIONS (CONTINUED)

(i) Results (continued)

| | Group 11 months period ended 31.12.2013 RM'000 | Restated Year ended 31.1.2013 RM'000 |
|---|---|---|
| Operating profit/(loss) | | |
| The following items have been charged/(credited) in arriving at operating profit: | | |
| Advertising and promotional expenses | 4,432 | 6,232 |
| Impairment of trade and other receivables | 11 | 44 |
| Employee benefits cost | 7,833 | 15,731 |
| Property, plant and equipment: | | |
| - depreciation | 421 | 1,958 |
| - written off | - | 16 |
| Rental expenses: | | |
| - equipment | - | 13 |
| - premises | 529 | 1,301 |
| Foreign exchange (gain)/losses: | | |
| - unrealised | (169) | (307) |
| - realised | (75) | 304 |

| | | |
|---|---|---|
| Finance income and costs | | |
| Interest expenses on: | | |
| - term loans and revolving credit | 19 | 1,827 |
| - others | 27 | 49 |
| Total finance costs | 46 | 1,876 |
| Finance income: | | |
| - interest income on deposits with licensed banks | 58 | 130 |
| Net finance income/(costs) | 12 | (1,746) |

6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

C DISCONTINUED OPERATIONS (CONTINUED)

(i) Results (continued)

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 |
| | RM'000 | RM'000 |
| Taxation | | |
| Current tax: | | |
| - Malaysia tax | 160 | 229 |
| - Foreign tax | 306 | 1,396 |
| | 466 | 1,625 |
| Deferred tax | - | (2,324) |
| Tax expenses/(credit) | 466 | (699) |

(ii) Cash flows

| | | |
|---|---|---|
| Net cash used in operating activities | (1,935) | (2,473) |
| Net cash used in investing activities | (1,046) | (1,398) |
| Net cash from financing activities | 2,656 | 787 |
| | (325) | (3,084) |

(iii) Details of the assets in the disposal group classified as held for sale at the end of the previous financial year are as follows:

| | Group | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Property, plant and equipment | - | 4,000 |
| Intangible assets | - | 1,164 |
| Deferred tax assets | - | 1,862 |
| Inventories | - | 8 |
| Trade and other receivables | - | 44,215 |
| Tax recoverable | - | 441 |
| Deposits, cash and bank balances | - | 19,641 |
| | - | 71,331 |

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NOTES TO THE FINANCIAL STATEMENTS
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6 DISPOSAL OF SUBSIDIARIES (CONTINUED)

C DISCONTINUED OPERATIONS (CONTINUED)

(a) Discontinued operation (continued)

(iii) Details of the assets in the disposal group classified as held for sale at the end of the previous financial year are as follows: (continued)

| | Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Subsidiaries: | | |
| - Investment in subsidiaries | - | 3,500 |
| - Advances to subsidiaries | - | 10,654 |
| | - | 14,154 |

(iv) Details of the liabilities in the disposal group classified as held for sale at the end of the previous financial year are as follows:

| | Group | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Trade and other payables | - | 48,215 |
| Hire-purchase and finance lease payables | - | 1,292 |
| Deferred revenue | - | 197 |
| Current tax liabilities | - | 2,086 |
| Interest bearing bank borrowings | - | 4,500 |
| | - | 56,290 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

7 REVENUE

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Rental income: | | | | |
| - retail malls | 280,505 | 288,140 | - | - |
| - office buildings | 174,303 | 159,659 | - | - |
| - rent and rent related | 86,138 | 94,989 | - | - |
| Hotel room revenue | 247,381 | 221,181 | - | - |
| Property development revenue | 139,703 | 105,253 | - | - |
| Sale of food and beverages | 95,657 | 100,478 | - | - |
| Rendering of services | 40,011 | 50,656 | - | - |
| Contract revenue | 26,057 | 47,076 | - | - |
| Utilities | 24,252 | 14,596 | - | - |
| Investment income | 3,231 | 971 | - | - |
| Dividend income (gross) | - | - | 70,824 | 53,536 |
| Interest income on advances to subsidiaries | - | - | 1,987 | 1,980 |
| Management services | - | - | 401 | 420 |
| Others | 1,444 | 1,814 | - | - |
| | 1,118,682 | 1,084,813 | 73,212 | 55,936 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

8 OPERATING PROFIT

The following items have been charged/(credited) in arriving at operating profit:

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit from operations is stated after charging: | | | | |
| Contract costs | 16,805 | 45,284 | - | - |
| Property development cost | 99,257 | 72,857 | - | - |
| Biological assets (Note 19) | | | | |
| - amortisation | 132 | 90 | - | - |
| - written off | 68 | 95 | - | - |
| Allowance for doubtful debts: | | | | |
| - trade and other receivables | 5,181 | 1,004 | - | - |
| - associates | - | 6,380 | - | - |
| Intangible assets (Note 18) | | | | |
| - amortisation | 259 | 17 | - | - |
| - impairment | - | 271 | - | - |
| Amortisation of investment properties (Note 16) | 63,615 | 52,055 | - | - |
| Amortisation of long term prepaid lease | 234 | 225 | - | - |
| Auditors' remuneration: | | | | |
| - current financial period/year | 1,009 | 1,045 | 134 | 74 |
| - under provision in prior year | 107 | 10 | 6 | - |
| - non-audit related services | 145 | - | 145 | - |
| - others | 11 | 12 | - | - |
| Employee benefits costs (Note 9) | 124,657 | 122,131 | 3,571 | 3,201 |
| Foreign exchange (gain)/loss(net): | | | | |
| - unrealised | (3,687) | 281 | (1,022) | (246) |
| - realised | (2,408) | (63) | 93 | (336) |
| Impairment of available-for-sale financial assets | - | 201 | - | 201 |
| Listing expenses | - | 24,645 | - | - |
| Loss on disposal of financial assets at fair value through profit or loss | - | 377 | - | 279 |
| Property, plant and equipment: (Note 14) | | | | |
| - depreciation | 78,491 | 86,374 | 74 | 89 |
| - impairment | 166 | 676 | - | - |
| - loss/ (gain) on disposal | 154 | (3,919) | - | - |
| - written off | 10,758 | 1,138 | * | * |

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

8 OPERATING PROFIT (CONTINUED)

The following items have been charged/(credited) in arriving at operating profit:

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit from operations is stated after charging: (continued) | | | | |
| Rental expenses: | | | | |
| - equipment | 1,218 | 1,164 | - | - |
| - premises | 9,780 | 10,588 | 994 | 1,931 |
| Impairment of advances to subsidiaries | - | - | 6,011 | 11 |
| Impairment of investment in subsidiaries | - | - | - | 19,600 |
| and crediting: | | | | |
| Write-back of provision for doubtful debts: | | | | |
| - trade and other receivables | 1,012 | 686 | - | - |
| - associates | 2,504 | - | - | - |
| Gain on disposal of: | | | | |
| - an associate | - | 9,180 | - | - |
| - available-for-sale financial assets | 463 | 1,408 | 11 | 1,408 |
| - financial assets at fair value through profit or loss | 993 | - | 993 | - |
| - subsidiaries (Note 6) | 17,804 | 24,629 | 18,815 | - |
| Revaluation gain on financial assets at fair value through profit or loss | 702 | 561 | 695 | 618 |
| Distribution upon member's voluntary liquidation | - | 1,330 | - | - |
| Write-back of provision for liquidated and ascertained damages | - | 2,614 | - | - |
| Reversal of impairment loss for: | | | | |
| - property, plant and equipment (Note 14) | - | 10,000 | - | - |
| - land held for property development | - | 10,000 | - | - |
| - advances to subsidiaries | - | - | - | 14,375 |
| Advertising and promotional income | 3,556 | 2,100 | - | - |
| Exhibition business income | 1,527 | 1,675 | - | - |
| Storage leasing income | 1,712 | 1,700 | - | - |

*less than RM1,000

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9 EMPLOYEE BENEFITS COST

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Wages, salaries and bonus | 112,282 | 110,488 | 3,136 | 2,756 |
| Defined contribution plan | 12,478 | 11,925 | 435 | 445 |
| | 124,760 | 122,413 | 3,571 | 3,201 |
| Less: Employee benefits cost capitalised into: | | | | |
| - property, plant and equipment | (103) | (177) | - | - |
| - research and development | - | (105) | - | - |
| | 124,657 | 122,131 | 3,571 | 3,201 |

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10 DIRECTORS' REMUNERATION

The aggregate amount of emoluments received/receivable by the Directors of the Group and of the Company during the financial period are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Non-executive Directors: | | | | |
| - basic salaries and bonus | 668 | 1,014 | - | - |
| - defined contribution plan | 80 | 122 | - | - |
| - fees | 159 | 149 | 109 | 109 |
| | 907 | 1,285 | 109 | 109 |
| Executive Director: | | | | |
| - basic salaries and bonus | 1,271 | 899 | 1,271 | 899 |
| - defined contribution plan | 136 | 112 | 136 | 112 |
| - fees | 65 | 55 | 16 | 16 |
| | 1,472 | 1,066 | 1,423 | 1,027 |
| | 2,379 | 2,351 | 1,532 | 1,136 |

The estimated monetary value of benefits-in-kind provided to the Directors of the Group and of the Company by way of the provision of other benefits amounted to RM70,000 (31.1.2013: RM65,000) and RM7,200 (31.1.2013: RM7,200) respectively.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

11 FINANCE INCOME AND COSTS

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest income on: | | | | |
| - deposits with licensed banks | 40,491 | 34,178 | 2,174 | 3,615 |
| - concession receivables | 1,746 | 1,224 | - | - |
| - late payment from tenants | 944 | 1,499 | - | - |
| - others | 3,337 | - | 29 | 29 |
| Total finance income | 46,518 | 36,901 | 2,203 | 3,644 |
| Interest expense on: | | | | |
| - term loans and revolving credit | 76,458 | 57,889 | 4 | 13 |
| - redeemable secured bonds | - | 9,157 | - | - |
| - redeemable convertible secured bonds | - | 6,160 | - | - |
| - other financing costs | 140 | 6,451 | 84 | 124 |
| Total finance costs | 76,598 | 79,657 | 88 | 137 |
| Net finance costs/(income) | 30,080 | 42,756 | (2,115) | (3,507) |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

## 12 TAXATION

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current tax: | | | | |
| - Malaysian tax | 88,917 | 129,523 | 13,155 | 3,508 |
| - Foreign tax | 4,209 | 634 | - | - |
| | 93,126 | 130,157 | 13,155 | 3,508 |
| Deferred tax | 9,154 | 24,493 | (16) | (18) |
| | 102,280 | 154,650 | 13,139 | 3,490 |
| Current tax: | | | | |
| Current period/year | 96,007 | 132,479 | 13,159 | 3,331 |
| (Over)/under accrual in prior years | (2,881) | (2,322) | (4) | 177 |
| | 93,126 | 130,157 | 13,155 | 3,508 |
| Deferred tax: | | | | |
| Origination and reversal of temporary differences | 9,154 | 24,493 | (16) | (18) |
| Tax expense | 102,280 | 154,650 | 13,139 | 3,490 |

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12 TAXATION (CONTINUED)

The reconciliation between the effective tax rate and the Malaysian tax rate are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | % | % | % | % |
| Malaysian tax rate | 25 | 25 | 25 | 25 |
| Tax effects of: | | | | |
| - share of results of associates | (1) | (2) | - | - |
| - expenses not deductible for tax purposes | 6 | 23 | 3 | 13 |
| - income not subject to tax | (5) | (7) | (12) | (31) |
| - current period/year's tax losses and deductible temporary differences not recognised | * | 1 | - | - |
| - utilisation of previously unrecognised temporary differences | - | * | - | - |
| - under accrual of taxation in prior years | (1) | (1) | * | * |
| - effect of changes in tax rate | 1 | - | * | - |
| Effective tax rate | 25 | 39 | 16 | 7 |

* Less than 1%

Pursuant to Section 61A of Malaysia Income Tax Act 1967 ("Act"), income of IGB REIT will be exempted from tax provided that at least 90% of its taxable income (as defined in the Act) is distributed to the investors in the basis period of IGB REIT for that year of assessment within two (2) months after the close of financial year. If the 90% distribution condition is not complied with or the 90% distribution is not made within two (2) months after the close of IGB REIT's financial year which forms the basis period for a year of assessment, then IGB REIT will be subject to income tax at the prevailing rate on its total income. Income which has been taxed at the IGB REIT level will have tax credits attached when subsequently distributed to unit holders.

## 13 EARNINGS PER SHARE

Basic/ Diluted earnings per share

Basic earnings per share of the Group is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period, excluding ordinary shares purchased by the Company and held as treasury shares (Note 33).

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 |
| Profit attributable to ordinary equity holders of the Company (RM'000): | | |
| - from continuing operations | 81,934 | 67,730 |
| - from discontinued operations | 20,052 | 31,616 |
| Total | 101,986 | 99,346 |
| Weighted average number of ordinary shares in issue | 586,530,379 | 604,579,870 |
| Basic/ Diluted earnings per share (sen) | | |
| - continuing operations | 13.97 | 11.20 |
| - discontinued operations | 3.42 | 5.23 |
| | 17.39 | 16.43 |

Diluted earnings per share equals to basic earnings per share as there are no potential dilutive shares in issue.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

14 PROPERTY, PLANT AND EQUIPMENT

| Group | Freehold land RM'000 | Leasehold land RM'000 | Hotel properties (Note 14(a)) RM'000 | Buildings RM'000 | Plant and machinery RM'000 | Furniture, fixtures, fittings and equipment RM'000 | Motor vehicles RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| 31.12.2013 | | | | | | | | | |
| Cost | | | | | | | | | |
| At 1 February 2013: | | | | | | | | | |
| At cost/valuation | 15,366 | 2,222 | 1,915,603 | 3,725 | 16,400 | 83,959 | 8,002 | 88,661 | 2,133,938 |
| Additions | - | - | 13,375 | - | 9,119 | 5,262 | 3,011 | 87,895 | 118,662 |
| Surplus on revaluation | - | - | 321,105 | - | - | - | - | - | 321,105 |
| Transferred from accumulated depreciation on revaluation surplus | - | - | (100,568) | - | - | - | - | - | (100,568) |
| Transferred from land held for property development (Note 15) | 28,797 | - | - | - | - | - | - | 14,367 | 43,164 |
| Transferred from investment properties (Note 16) | 12,533 | - | 123,378 | - | - | - | - | 798 | 136,709 |
| Reclassification | - | - | 1,388 | - | - | - | - | (1,388) | - |
| Written off | - | - | (10,437) | - | (909) | (851) | (121) | (3,416) | (15,734) |
| Disposals | - | - | (2,624) | - | (1) | (21,992) | (1,896) | - | (26,513) |
| Currency translation differences | - | 57 | (5,589) | - | - | 9 | 28 | (312) | (5,807) |
| At 31 December 2013 | 56,696 | 2,279 | 2,255,631 | 3,725 | 24,609 | 66,387 | 9,024 | 186,605 | 2,604,956 |
| Accumulated depreciation | | | | | | | | | |
| At 1 February 2013 | - | 430 | 217,346 | 499 | 4,800 | 49,279 | 6,239 | - | 278,593 |
| Charge for the financial period | - | 45 | 67,496 | 20 | 631 | 8,249 | 2,050 | - | 78,491 |
| Transferred to cost on revaluation surplus | - | - | (100,568) | - | - | - | - | - | (100,568) |
| Transferred from investment properties (Note 16) | - | - | 1,715 | - | - | - | - | - | 1,715 |
| Written off | - | - | (3,225) | - | (151) | (713) | (121) | - | (4,210) |
| Disposals | - | - | (15) | - | - | (21,970) | (1,876) | - | (23,861) |
| Currency translation differences | - | 18 | 1,976 | - | - | 3 | 27 | - | 2,024 |
| At 31 December 2013 | - | 493 | 184,725 | 519 | 5,280 | 34,848 | 6,319 | - | 232,184 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

## 14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Group | Freehold land RM'000 | Leasehold land RM'000 | Hotel properties (Note 14(a)) RM'000 | Buildings RM'000 | Plant and machinery RM'000 | Furniture, fixtures, fittings and equipment RM'000 | Motor vehicles RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| 31.12.2013 | | | | | | | | | |
| Accumulated impairment losses | | | | | | | | | |
| At 1 February 2013 | 275 | - | 7,425 | 2,595 | 4,902 | 1,346 | - | - | 16,543 |
| Charge for the financial period | - | - | - | - | 1 | 165 | - | - | 166 |
| Written off | - | - | - | - | (758) | (8) | - | - | (766) |
| Disposals | - | - | - | - | (1) | (14) | - | - | (15) |
| At 31 December 2013 | 275 | - | 7,425 | 2,595 | 4,144 | 1,489 | - | - | 15,928 |
| Net book value | | | | | | | | | |
| At 31 December 2013 | | | | | | | | | |
| At cost/valuation | 56,421 | 1,786 | 2,063,481 | 611 | 15,185 | 30,050 | 2,705 | 186,605 | 2,356,844 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Group | Freehold land RM'000 | Leasehold land RM'000 | Hotel properties (Note 14(a)) RM'000 | Buildings RM'000 | Plant and machinery RM'000 | Furniture, fixtures, fittings and equipment RM'000 | Motor vehicles RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| 31.1.2013 (restated) | | | | | | | | | |
| Cost | | | | | | | | | |
| At 1 February 2012: | | | | | | | | | |
| At cost/valuation | 101,992 | 11,637 | 1,230,889 | 258,759 | 74,482 | 146,014 | 9,299 | 42,931 | 1,876,003 |
| Additions | 103 | - | 23,905 | 886 | 211 | 6,659 | 1,052 | 47,258 | 80,074 |
| Acquisition of subsidiary | - | - | 709,258 | - | - | (1,343) | - | 222 | 708,137 |
| Transferred from accumulated depreciation on revaluation surplus | - | - | (45,876) | - | - | - | - | - | (45,876) |
| Transferred to property development cost (Note 25) | (33,773) | - | - | - | - | - | - | (438) | (34,211) |
| Transferred to investment properties (Note 16) | (53,401) | - | - | (231,038) | (6,156) | (63,562) | - | (584) | (354,741) |
| Reclassification | 3,312 | - | - | (3,312) | 3 | 275 | - | (278) | - |
| Written off | - | - | (26) | (1,185) | (323) | (2,305) | (8) | - | (3,847) |
| Disposals | (2,867) | - | (583) | (8,981) | (6,186) | (1,389) | (1,204) | - | (21,210) |
| Disposal of subsidiaries (Note 6) | - | (9,516) | - | (11,551) | (46,007) | (396) | (1,142) | (452) | (69,084) |
| Currency translation differences | - | 101 | (1,964) | 147 | 376 | 6 | 5 | 2 | (1,327) |
| At 31 January 2013 | 15,366 | 2,222 | 1,915,603 | 3,725 | 16,400 | 83,959 | 8,002 | 88,661 | 2,133,938 |
| Accumulated depreciation | | | | | | | | | |
| At 1 February 2012 | - | 1,505 | 203,703 | 12,501 | 23,957 | 60,149 | 7,309 | - | 309,124 |
| Charge for the financial year | - | 187 | 59,640 | 5,398 | 3,099 | 15,837 | 870 | - | 85,031 |
| Acquisition of subsidiary | - | - | 1,343 | - | - | - | - | - | 1,343 |
| Transferred to cost on revaluation surplus | - | - | (45,876) | - | - | - | - | - | (45,876) |
| Transferred to investment properties (Note 16) | - | - | - | (13,353) | (2,306) | (23,375) | - | - | (39,034) |
| Written off | - | - | (17) | (116) | (302) | (2,266) | (8) | - | (2,709) |
| Disposals | - | - | (475) | (2,570) | (2,189) | (781) | (1,126) | - | (7,141) |
| Disposal of subsidiaries (Note 6) | - | (1,276) | - | (1,417) | (17,578) | (289) | (807) | - | (21,367) |
| Currency translation differences | - | 14 | (972) | 56 | 119 | 4 | 1 | - | (778) |
| At 31 January 2013 | - | 430 | 217,346 | 499 | 4,800 | 49,279 | 6,239 | - | 278,593 |

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FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Group | Freehold land RM'000 | Leasehold land RM'000 | Hotel properties (Note 14(a)) RM'000 | Buildings RM'000 | Plant and machinery RM'000 | Furniture, fixtures, fittings and equipment RM'000 | Motor vehicles RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|---|
| 31.1.2013 (restated) | | | | | | | | | |
| Accumulated impairment losses | | | | | | | | | |
| At 1 February 2012 | 275 | - | 17,425 | 2,729 | 28,833 | 1,265 | - | - | 50,527 |
| Charge for the financial year | - | - | - | - | - | 676 | - | - | 676 |
| Reversal of impairment loss | - | - | (10,000) | - | - | - | - | - | (10,000) |
| Disposals | - | - | - | (134) | (3,278) | (595) | - | - | (4,007) |
| Disposal of subsidiaries (Note 6) | - | - | - | - | (20,653) | - | - | - | (20,653) |
| At 31 January 2013 | 275 | - | 7,425 | 2,595 | 4,902 | 1,346 | - | - | 16,543 |
| Net book value | | | | | | | | | |
| At 31 January 2013: | | | | | | | | | |
| At cost/valuation | 15,091 | 1,792 | 1,690,832 | 631 | 6,698 | 33,334 | 1,763 | 88,661 | 1,838,802 |

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NOTES TO THE FINANCIAL STATEMENTS
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14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Hotel properties

| Group | Freehold land RM'000 | Hotel buildings RM'000 | Plant and machinery RM'000 | Office furniture, fittings and equipment RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| 31.12.2013 | | | | | |
| Cost | | | | | |
| At 1 February 2013: | | | | | |
| At cost/valuation | 303,000 | 1,303,357 | 52,978 | 256,268 | 1,915,603 |
| Additions | - | 2,797 | 2,172 | 8,406 | 13,375 |
| Surplus on revaluation | - | 321,105 | - | - | 321,105 |
| Transferred from accumulated depreciation on revaluation surplus | - | (14,441) | (15,234) | (70,893) | (100,568) |
| Transferred from investment properties (Note 16) | 57,119 | 66,259 | - | - | 123,378 |
| Reclassification | - | (2,786) | 124 | 4,050 | 1,388 |
| Written off | - | (8,652) | (410) | (1,375) | (10,437) |
| Disposals | - | (2,589) | (18) | (17) | (2,624) |
| Currency translation differences | (4,554) | (2,924) | 1,404 | 485 | (5,589) |
| At 31 December 2013 | 355,565 | 1,662,126 | 41,016 | 196,924 | 2,255,631 |
| Accumulated depreciation | | | | | |
| At 1 February 2013 | - | 60,114 | 29,389 | | |
| Charge for the financial period | - | 28,660 | 5,678 | | |
| Transferred to cost on revaluation surplus | - | (14,441) | (15,234) | | |
| Transferred from investment properties (Note 16) | - | 1,715 | - | - | 1,715 |
| Reclassification | - | (1,701) | 306 | 1,395 | - |
| Written off | - | (1,751) | (399) | (1,075) | (3,225) |
| Disposals | - | - | (1) | (14) | (15) |
| Currency translation differences | - | 863 | 712 | 401 | 1,976 |
| At 31 December 2013 | - | 73,459 | 20,451 | 90,815 | 184,725 |
| Accumulated impairment losses | | | | | |
| At 1 February 2013/ At 31 December 2013 | - | 7,425 | - | - | 7,425 |
| Net book value | | | | | |
| At 31 December 2013: | | | | | |
| At cost/valuation | 355,565 | 1,581,242 | 20,565 | 106,109 | 2,063,481 |

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Hotel properties (continued)

| Group | Freehold land RM'000 | Hotel buildings RM'000 | Plant and machinery RM'000 | Office furniture, fittings and equipment RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| 31.1.2013 (restated) | | | | | |
| Cost | | | | | |
| At 1 February 2012: | | | | | |
| At cost/valuation | 143,000 | 776,947 | 66,136 | 244,806 | 1,230,889 |
| Additions | - | 11,687 | 1,449 | 10,769 | 23,905 |
| Acquisition of subsidiary | 160,000 | 520,838 | - | 28,420 | 709,258 |
| Transferred from accumulated depreciation on revaluation surplus | - | - | (13,936) | (31,940) | (45,876) |
| Reclassification | - | (4,908) | 22 | 4,886 | - |
| Written off | - | - | - | (26) | (26) |
| Disposals | - | (150) | (22) | (411) | (583) |
| Currency translation differences | - | (1,057) | (671) | (236) | (1,964) |
| At 31 January 2013 | 303,000 | 1,303,357 | 52,978 | 256,268 | 1,915,603 |
| Accumulated depreciation | | | | | |
| At 1 February 2012 | - | 39,991 | 37,602 | 126,110 | 203,703 |
| Charge for the financial year | - | 24,665 | 5,217 | 29,758 | 59,640 |
| Acquisition of subsidiary | - | - | - | 1,343 | 1,343 |
| Transferred to cost on revaluation surplus | - | - | (13,936) | (31,940) | (45,876) |
| Reclassification | - | (3,991) | 1,041 | 2,950 | - |
| Written off | - | - | - | (17) | (17) |
| Disposals | - | (98) | (210) | (167) | (475) |
| Currency translation differences | - | (453) | (325) | (194) | (972) |
| At 31 January 2013 | - | 60,114 | 29,389 | 127,843 | 217,346 |
| Accumulated impairment losses | | | | | |
| At 1 February 2012 | - | 17,425 | - | - | 17,425 |
| Reversal of impairment loss | - | (10,000) | - | - | (10,000) |
| At 31 January 2013 | - | 7,425 | - | - | 7,425 |
| Net book value | | | | | |
| At 31 January 2013: | | | | | |
| At cost/valuation | 303,000 | 1,235,818 | 23,589 | 128,425 | 1,690,832 |

The reversal of impairment in hotel buildings in the financial year ended 31 January 2013 was due to the improvement in the hotel performance of Earning Edge Sdn. Bhd..

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NOTES TO THE FINANCIAL STATEMENTS
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14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Net book value of assets pledged as borrowings (Note 38) are as follows:

| | | | Group |
|---|---|---|---|
| | | Restated | Restated |
| | 31.12.2013 | 31.1.2013 | 1.2.2013 |
| | RM'000 | RM'000 | RM'000 |
| Freehold land | - | 800 | 50,889 |
| Hotel properties | 704,820 | 716,114 | 42,919 |
| Buildings | - | - | 235,700 |
| Plant and machinery | - | - | 9,155 |
| | 704,820 | 716,914 | 338,663 |

**Hotel properties**

In accordance with the Group's accounting policy on property, plant and equipment, hotel properties (land, building, plant and machinery, and furniture, fittings and equipment) are revalued on a periodic basis, but at least once every five years, by external independent valuers. The following were the valuations performed on hotel properties during the current financial period and preceding financial years:

(i) The hotel building of Mid Valley City Hotels Sdn. Bhd., a subsidiary of IGB, stated at cost was revalued during the financial year ended 31 December 2013 by an independent qualified valuer, Long Tian Chek, a member of the Institute of Surveyors, Malaysia, a registered valuer of Henry Butcher Malaysia Sdn Bhd. The valuation was arrived at by the Comparison Method of Valuation where reference was made to similar properties that were sold recently and those that are currently offered for sale in the vicinity.

Based on this valuation, the value of the hotel building was RM515,000,000, as compared to the carrying value of RM193,894,674. The resultant surplus of RM321,105,326 had been credited to revaluation reserve and adjusted to the hotel building by eliminating the accumulated depreciation of RM14,441,115.

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

**Hotel properties** (continued)

(ii) The hotel building and freehold land of Pangkor Island Resort Sdn. Bhd., a subsidiary of IGB, stated at valuation was revalued as at 31 December 2011 by an independent qualified valuer, Mr Thoo Sing Choon, a member of the Institute of Surveyors, Malaysia and a registered valuer of Jordan Lee & Jaafar Sdn Bhd. The valuation was arrived at by the Profits Method of Valuation to derive at the present market value of the hotel property and a combination of the Comparison Method for the land and the Cost Method of Valuation for the building as cross-check method.

Based on this valuation, the value of the hotel building was RM46,000,000, as compared to the carrying value of RM49,754,142. The resultant deficit of RM3,754,142 had been accounted for by reversing previous revaluation surplus for the same asset and adjusted to the hotel building by eliminating the accumulated depreciation of RM5,000,000.

Based on this valuation, the value of the freehold land was RM17,000,000 as compared to its carrying value of RM15,500,000. The surplus of RM1,500,000 had been credited to revaluation reserve.

(iii) The hotel building of Tanah Permata Sdn. Bhd, a subsidiary of IGB, stated at valuation was revalued as at 31 December 2011 by an independent qualified valuer, Mr Yap Kian Ann, a member of the Institute of Surveyors, Malaysia, a registered valuer of Jordan Lee & Jaafar Sdn Bhd using the Comparison and Profits Methods of Valuation to derive at the market value of the hotel building.

Based on this valuation, the value of the hotel building was RM290,000,000, as compared to its carrying value of RM101,842,608. The resultant surplus of RM188,157,392 had been credited to revaluation reserve.

(iv) The hotel building of Mid Valley City Enterprise Sdn. Bhd., a subsidiary of IGB, stated at cost was revalued as at 31 December 2010 by an independent qualified valuer, Yap Kian Ann, a member of the Institute of Surveyors, Malaysia, a registered valuer of Jordan Lee & Jaafar Sdn Bhd. The valuation was arrived at by the Comparison and Profits Methods of Valuation where reference was made to similar properties that were sold recently and those that are currently offered for sale in the vicinity.

Based on this valuation, the value of the hotel building was RM162,132,000, as compared to the carrying value of RM48,903,000. The resultant surplus of RM113,229,000 had been credited to revaluation reserve and adjusted to the hotel building by eliminating the accumulated depreciation of RM3,995,000.

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NOTES TO THE FINANCIAL STATEMENTS
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14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

**Hotel properties** (continued)

(v) The hotel building and freehold land of TTD Sdn. Bhd., a subsidiary of IGB, stated at valuation was revalued as at 31 December 2010 by an independent qualified valuer, Yap Kian Ann, a member of the Institute of Surveyors, Malaysia, a registered valuer of Jordan Lee & Jaafar Sdn Bhd. The valuation was arrived at by the Comparison Method of Valuation where reference was made to similar properties that were sold recently and those that are currently offered for sale in the vicinity.

Based on this valuation, the value of the hotel building was RM56,541,000, as compared to the carrying value of RM53,536,000. The resultant surplus of RM3,005,000 had been credited to revaluation reserve and adjusted to the hotel building by eliminating the accumulated depreciation of RM3,005,000.

Based on this valuation, the value of the freehold land was RM110,000,000 as compared to its carrying value of RM65,025,000. The resultant surplus of RM44,975,000 had been credited to revaluation reserve.

(vi) The hotel building and freehold land of Central Review Sdn. Bhd., a subsidiary of IGB, stated at valuation was revalued as at 31 December 2009 by an independent qualified valuer, Mr Yap Kian Ann, a member of the Institute of Surveyors, Malaysia, a registered valuer of Jordan Lee & Jaafar Sdn Bhd. The valuation was arrived at by the Comparison and Profits Methods of Valuation where reference was made to similar properties that were sold recently and those that are currently offered for sale in the vicinity.

Based on this valuation, the value of the hotel building was RM24,000,000, as compared to the carrying value of RM18,824,000. The resultant surplus of RM5,176,000 had been accounted for by reversing the revaluation of RM3,936,000 previously recognised in income statement. The balance of RM1,240,000 had been credited to revaluation reserve and adjusted to the hotel building by eliminating the accumulated depreciation of RM1,583,000.

Based on this valuation, the value of the freehold land was RM16,000,000 as compared to its carrying value of RM8,200,000. The resultant surplus of RM7,800,000 had been credited to revaluation reserve.

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14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Net book value of revalued property, plant and equipment had these assets been carried at cost less accumulated depreciation:

| | | | Group |
|---|---|---|---|
| | | Restated | Restated |
| | 31.12.2013 | 31.1.2013 | 1.2.2012 |
| | RM'000 | RM'000 | RM'000 |
| Freehold land | 1,040 | 1,040 | 1,040 |
| Hotel properties: | | | |
| Land | 74,892 | 74,892 | 74,892 |
| Buildings | 328,312 | 191,557 | 186,885 |
| | 403,204 | 266,449 | 261,777 |

The level 3 hotel properties' fair value is determined by external valuations based on the comparison approach using significant unobservable inputs. The comparison approach entails comparing hotel properties with similar properties that were sold recently and those that are currently being offered for sale in the vicinity. The location of the hotel properties, time element, merits and demerits of the hotel properties are taken into consideration to arrive at an acceptable degree of comparability and the value of the hotel properties. The valuation results will be reviewed by management and deliberated during management's executive committee meetings.

Changes in fair value are recognised in the statement of comprehensive income during the period in which they are reviewed.

| Hotel properties | Valuation technique | Fair value | | Parameters |
|---|---|---|---|---|
| | | | Range of average price per room | Relationship of unobservable inputs to fair value |
| | | RM'000 | RM'000 | |
| - 3 and 4 star ratings | Comparison approach | 471,900 | 165 – 450 | The higher the price average per room, the higher the fair value |
| - 5 star ratings | Comparison approach | 762,018 | 330 – 805 | The higher the price average per room, the higher the fair value |
| | | 1,233,918 | | |

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FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

14 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company

| | Furniture, fixtures, fittings and equipment | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Cost | | |
| At 1 February | 849 | 845 |
| Additions | 36 | 14 |
| Written off | (47) | (1) |
| Transfer to a subsidiary | - | (9) |
| At 31 December/At 31 January | 838 | 849 |
| Accumulated depreciation | | |
| At 1 February | 512 | 428 |
| Charge for the financial period/year | 74 | 89 |
| Written off | (47) | (1) |
| Transfer to a subsidiary | - | (4) |
| At 31 December/At 31 January | 539 | 512 |
| Net book value | | |
| At 31 December/At 31 January | 299 | 337 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

15 LAND HELD FOR PROPERTY DEVELOPMENT

| | | Group | |
|---|---|---|---|
| | | | Restated |
| | Note | 31.12.2013 | 31.1.2013 |
| | | RM'000 | RM'000 |
| At 1 February | | | |
| Freehold land, at cost | | 188,527 | 194,872 |
| Leasehold land, at cost | | 1,200 | 1,200 |
| Development costs | | 102,988 | 101,526 |
| | | 292,715 | 297,598 |
| Add: | | | |
| Costs incurred during the financial period/year: | | | |
| Development costs | | 812 | 4,155 |
| Add: Transferred from property development costs: | | | |
| Freehold land | 25 | 28,753 | - |
| Development costs | 25 | 4,089 | - |
| | | 326,369 | 301,753 |
| Less: | | | |
| Transferred to property, plant and equipment: | | | |
| Freehold land | 14 | (28,797) | - |
| Development costs | 14 | (14,367) | - |
| Transferred to property development costs: | | | |
| Freehold land | 25 | - | (6,345) |
| Development costs | 25 | - | (2,693) |
| Less: Accumulated impairment losses | | (62,842) | (62,842) |
| At 31 December/At 31 January | | 220,363 | 229,873 |
| Land held for property development is analysed as follows: | | | |
| Freehold land, at cost | | 188,483 | 188,527 |
| Leasehold land, at cost | | 1,200 | 1,200 |
| Development costs | | 93,522 | 102,988 |
| | | 283,205 | 292,715 |
| Less: Accumulated impairment losses | | (62,842) | (62,842) |
| At 31 December/At 31 January | | 220,363 | 229,873 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

16 INVESTMENT PROPERTIES

| Group | Leasehold land RM'000 | Freehold land RM'000 | Buildings RM'000 | Buildings fittings RM'000 | Capital work in progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| 31.12.2013 | | | | | | |
| Cost | | | | | | |
| At 1 February 2013 | 248,985 | 231,064 | 1,749,799 | 435,849 | 176,060 | 2,841,757 |
| Acquisition of a subsidiary (Note 5) | 44,956 | - | - | - | - | 44,956 |
| Additions | 288,921 | - | 2,880 | 1,423 | 57,558 | 350,782 |
| Reclasssification | 2,162 | - | (2,162) | - | - | - |
| Reclassification to property, plant and equipment (Note 14) | - | (69,652) | (66,259) | - | (798) | (136,709) |
| At 31 December 2013 | 585,024 | 161,412 | 1,684,258 | 437,272 | 232,820 | 3,100,786 |
| Accumulated amortisation | | | | | | |
| At 1 February 2013 | 19,589 | - | 246,252 | 295,714 | - | 561,555 |
| Charge for the financial period | 2,688 | - | 32,922 | 28,005 | - | 63,615 |
| Reclassification to property, plant and equipment (Note 14) | - | - | (1,715) | - | - | (1,715) |
| At 31 December 2013 | 22,277 | - | 277,459 | 323,719 | - | 623,455 |
| Net book value | | | | | | |
| At 31 December 2013 | 562,747 | 161,412 | 1,406,799 | 113,553 | 232,820 | 2,477,331 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

16 INVESTMENT PROPERTIES (CONTINUED)

| Group | Leasehold land RM'000 | Freehold land RM'000 | Buildings RM'000 | Buildings fittings RM'000 | Capital work in progress RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| 31.1.2013 (restated) | | | | | | |
| Cost | | | | | | |
| At 1 February 2012 | 246,149 | 178,308 | 1,502,856 | 365,790 | 90,791 | 2,383,894 |
| Transferred from property development cost (Note 25) | 2,836 | - | - | - | 3,111 | 5,947 |
| Transferred from property, plant and equipment (Note 14) | - | 53,401 | 231,038 | 69,718 | 584 | 354,741 |
| Additions | - | - | 16,936 | 31 | 81,574 | 98,541 |
| Reclasssification | - | - | (310) | 310 | - | - |
| Currency translation differences | - | (645) | (721) | - | - | (1,366) |
| At 31 January 2013 | 248,985 | 231,064 | 1,749,799 | 435,849 | 176,060 | 2,841,757 |
| Accumulated amortisation | | | | | | |
| At 1 February 2012 | 16,535 | - | 203,157 | 250,780 | - | 470,472 |
| Charge for the financial year | 3,054 | - | 29,748 | 19,253 | - | 52,055 |
| Transferred from property, plant and equipment (Note 14) | - | - | 13,353 | 25,681 | - | 39,034 |
| Currency translation differences | - | - | (6) | - | - | (6) |
| At 31 January 2013 | 19,589 | - | 246,252 | 295,714 | - | 561,555 |
| Net book value | | | | | | |
| At 31 January 2013 | 229,396 | 231,064 | 1,503,547 | 140,135 | 176,060 | 2,280,202 |

16 INVESTMENT PROPERTIES (CONTINUED)

Investment properties with net book value of RM715,478,000 (31.1.2013: RM738,339,000) have been charged as security for borrowings as disclosed in Note 38.

The fair value of the investment properties above were estimated at RM7,757,927,000 (31.1.2013: RM6,930,434,000) based on either valuations by independent qualified valuers or management estimated valuations which were determined primarily based on investment method using significant unobservable inputs.

The investment method reflecting receipt of contractual rentals, expected future market rentals, current market yields, void periods, sinking funds and maintenance requirements and an approximate capitalisation rate is used. (The Group uses assumptions that are mainly based on market conditions existing at each reporting date). Level 3 inputs (unobservable inputs) have been applied in arriving at the valuation. The valuation results were reviewed by management and deliberated by the respective subsidiaries management's, executive committees, audit committee or the board of directors.

Direct operating expenses from investment properties that generated rental income of the Group during the financial period amounted to approximately RM206,788,000 (31.1.2013: RM226,784,000).

Included in direct operating expenses of the Group are the following expenses:

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 |
| | RM'000 | RM'000 |
| Repair and maintenance | 34,522 | 43,440 |
| Utilities | 45,242 | 51,179 |
| Staff costs | 30,756 | 27,433 |
| Amortisation of investment properties | 63,615 | 52,055 |

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17 LONG TERM PREPAID LEASE

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| At cost | | |
| At 1 February | 6,613 | 6,827 |
| Currency translation differences | 439 | (214) |
| At 31 December/At 31 January | 7,052 | 6,613 |
| Accumulated amortisation | | |
| At 1 February | 2,910 | 2,778 |
| Current period/year amortisation | 234 | 225 |
| Currency translation differences | 211 | (93) |
| At 31 December/At 31 January | 3,355 | 2,910 |
| Net book value | | |
| At 31 December/At 31 January | 3,697 | 3,703 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

18 INTANGIBLE ASSETS

| Group | Development costs | License | Goodwill | Total |
|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 31.12.2013 | | | | |
| Cost | | | | |
| At 1 February 2013 | 2,088 | 400 | 19,164 | 21,652 |
| Additions | 439 | - | - | 439 |
| At 31 December 2013 | 2,527 | 400 | 19,164 | 22,091 |
| Accumulated amortisation | | | | |
| At 1 February 2013 | 35 | 71 | - | 106 |
| Charge for the financial perioo | 250 | 9 | - | 259 |
| At 31 December 2013 | 285 | 80 | - | 365 |
| Accumulated impairment losses | | | | |
| At 1 February 2013/ At 31 December 2013 | 1,735 | 271 | - | 2,006 |
| Net book value | | | | |
| At 31 December 2013 | 507 | 49 | 19,614 | 19,720 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

18 INTANGIBLE ASSETS (CONTINUED)

| Group | Development costs | License | Goodwill | Total |
|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 31.1.2013 (Restated) | | | | |
| Cost | | | | |
| At 1 February 2012 | 1,770 | 400 | 493 | 2,663 |
| Additions | 318 | - | - | 318 |
| Arising from acquisition of a subsidiary | - | - | 19,164 | 19,164 |
| Disposal of a subsidiary (Note 6) | - | - | (493) | (493) |
| At 31 January 2013 | 2,088 | 400 | 19,164 | 21,652 |
| Accumulated amortisation | | | | |
| At 1 February 2012 | 35 | 54 | - | 89 |
| Charge for the financial year | - | 17 | - | 17 |
| At 31 January 2013 | 35 | 71 | - | 106 |
| Accumulated impairment losses | | | | |
| At 1 February 2012 | 1,735 | - | 493 | 2,228 |
| Charge for the financial year | - | 271 | - | 271 |
| Disposal of a subsidiary (Note 6) | - | - | (493) | (493) |
| At 31 January 2013 | 1,735 | 271 | - | 2,006 |
| Net book value | | | | |
| At 31 January 2013 | 318 | 58 | 19,164 | 19,540 |

During the financial year ended 31 January 2013, an amount of RM19,164,000 was recognised as goodwill arising from the acquisition of 50,000,000 ordinary shares of RM1.00 each representing 50% equity interest in Great Union Properties Sdn Bhd.

19 BIOLOGICAL ASSETS

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Broodstocks | | |
| Cost | | |
| At 1 February | 731 | - |
| Additions | 13 | 832 |
| Written off | (94) | (101) |
| At 31 December/At 31 January | 650 | 731 |
| Accumulated amortisation | | |
| At 1 February | 84 | - |
| Charge for the financial period/year | 132 | 90 |
| Written off | (26) | (6) |
| At 31 December/At 31 January | 190 | 84 |
| Net book value | | |
| At 31 December/At 31 January | 460 | 647 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

20 SUBSIDIARIES

| | Company 31.12.2013 RM'000 | Company Restated 31.1.2013 RM'000 |
|---|---|---|
| Investment in subsidiaries, at cost | | |
| Quoted ordinary shares | 677,316 | 677,316 |
| Unquoted ordinary shares | 129,219 | 110,671 |
| Less : Accumulated impairment losses | (23,098) | (23,098) |
| | 783,437 | 764,889 |
| Advances to subsidiaries | 14,682 | 18,200 |
| Financial guarantee contract to a subsidiary | 86 | 86 |
| Less : Provision for impairment | (86) | (86) |
| | - | - |
| Total | 798,119 | 783,089 |

The market value of the quoted ordinary shares is at RM1,113,136,380 (31.1.2013: RM 957,624,679).

| | Company 31.12.2013 RM'000 | Company Restated 31.1.2013 RM'000 |
|---|---|---|
| Movement of impairment loss on investment in subsidiaries: | | |
| At 1 February | 23,098 | 3,498 |
| Charge during the period/year | - | 19,600 |
| At 31 December/31 January | 23,098 | 23,098 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Ecosem Sdn Bhd (In Members' Voluntary winding-up) | Malaysia | Ceased operations | 100.00 | - | 100.00 | - |
| GoldChina Sdn Bhd | Malaysia | Investment holding | 100.00 | - | 100.00 | - |
| Goldis Capital Sdn Bhd | Malaysia | Dormant | 100.00 | - | 100.00 | - |
| Goldis Water Sdn Bhd | Malaysia | Investment holding | 100.00 | - | 100.00 | - |
| Goldis Yu Sdn Bhd | Malaysia | Money lending services | 100.00 | - | 100.00 | - |
| GTower Sdn Bhd | Malaysia | Property investment holding | 80.00 | 20.00 | 80.00 | 20.00 |
| G Fish (Asia) Sdn Bhd | Malaysia | Aquaculture | 96.67 | 3.33 | 96.67 | 3.33 |
| +IGB Corporation Berhad | Malaysia | Investment holding and property development | 31.63 | 68.37 | 30.34 | 69.66 |
| Lautan Bumimas Sdn Bhd | Malaysia | Aquaculture | 51.00 | 49.00 | 51.00 | 49.00 |
| Macro Kiosk Berhad | Malaysia | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| Macro Lynx Sdn Bhd | Malaysia | Broadband web based solutions | 100.00 | - | 100.00 | - |
| Multistock Sdn Bhd | Malaysia | Investment trading and investment holding | 100.00 | - | 100.00 | - |
| Steady Paramount Sdn Bhd | Malaysia | Dormant | 100.00 | - | - | - |
| Triple Hallmark Sdn Bhd | Malaysia | Investment holding | 100.00 | - | 100.00 | - |

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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by GoldChina Sdn Bhd | | | | | | |
| *Crest Spring Pte Ltd | Singapore | Investment holding | 100.00 | - | 100.00 | - |
| Held by Crest Spring Pte Ltd | | | | | | |
| *Crest Spring (Shanghai) Co. Ltd. | The People's Republic of China | Provision of engineering services for pure water and waste water treatment plants and related services | 100.00 | - | 100.00 | - |
| *New Water Co. Ltd. | The People's Republic of China | Management, operation and maintenance of waste water treatment plant for a concession period of 24 years | 100.00 | - | - | - |
| Held by Crest Spring (Shanghai) Co. Ltd. | | | | | | |
| *Jiang Su Crest Spring Co. Ltd. | The People's Republic of China | Dormant | 99.50 | 0.50 | 99.50 | 0.50 |
| *Yantai Xin Cheng Waste Waste Water Co. Ltd | The People's Republic of China | Management, operation and maintenance of waste water treatment plant for a concession period of 23 years | 100.00 | - | 99.89 | 0.11 |
| *Ganyu Xin Cheng Sewage Waste Water Co. Ltd | The People's Republic of China | Management, operation and maintenance of waste water treatment plant for a concession period of 24 years | 100.00 | - | 99.61 | 0.39 |
| Held by Goldis Water Sdn Bhd | | | | | | |
| *Goldis Water Pte Ltd | Singapore | Investment holding | 100.00 | - | 100.00 | - |
| Held by Goldis Water Pte Ltd | | | | | | |
| *ZouCheng XinCheng Waste Water Co. Ltd | The People's Republic of China | Management, operation and maintenance of waste water treatment plant for a concession period of 25 years | 100.00 | - | 100.00 | - |

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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by G Fish (Asia) Sdn Bhd | | | | | | |
| OM3 Fish (Asia) Sdn Bhd | Malaysia | Marketing and sale of aquaculture products | 96.67 | 3.33 | 96.67 | 3.33 |
| OM3 Fish Development Sdn Bhd | Malaysia | Aquaculture farms development and construction | 96.67 | 3.33 | 96.67 | 3.33 |
| OM3 Fish Services Sdn Bhd | Malaysia | Aquaculture operation and provision of management services | 96.67 | 3.33 | 96.67 | 3.33 |
| Held by Macro Lynx Sdn Bhd | | | | | | |
| MVC Fiberlynx Sdn Bhd | Malaysia | Broadband web based solutions | 100.00 | - | 100.00 | - |
| Mines Fiberlynx Sdn Bhd | Malaysia | Broadband web based solutions | 100.00 | - | 100.00 | - |
| MLynx Sdn Bhd | Malaysia | Broadband web based solutions | 100.00 | - | 100.00 | - |
| Held by Triple Hallmark Sdn Bhd | | | | | | |
| Sonata Vision Sdn Bhd | Malaysia | Food and beverage operation | 100.00 | - | 100.00 | - |
| Held by Macro Kiosk Bhd | | | | | | |
| *Cinomobile Pte Ltd | Singapore | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Blob Sdn Bhd | Malaysia | Ceased operations | - | - | 70.00 | 30.00 |
| Macro Mobile Services Sdn Bhd | Malaysia | Mobile communications | - | - | 70.00 | 30.00 |
| *Macro Kiosk (HK) Ltd | Hong Kong | Mobile communications technology provider | - | - | 70.00 | 30.00 |

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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group % | 31.12.2013 Effective interest held by non-controlling interest % | Restated 31.1.2013 Effective interest held by the group % | Restated 31.1.2013 Effective interest held by non-controlling interest % |
|---|---|---|---|---|---|---|
| Held by Macro Kiosk Bhd (continued) | | | | | | |
| *Macro Kiosk Ltd | Thailand | Mobile communications technology provider | - | - | 69.82 | 30.72 |
| *Macro Kiosk Pte Ltd | Singapore | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Kiosk Co. Ltd | Taiwan | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *PT Permata Cipta Rejeki | Indonesia | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| Toprole Network Sdn Bhd | Malaysia | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *IGM Mobile (China) Limited | Hong Kong | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Kiosk Joint Stock Company | Vietnam | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Kiosk (Guangzhou) Technology Co. Ltd. | The Peoples Republic of China | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| Macro Simnergy Sdn Bhd | Malaysia | Mobile communications technology provider | - | - | 38.50 | 61.50 |
| *Macro Kiosk (Australia) Pty Ltd | Australia | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Kiosk (India) Pvt Ltd | India | Mobile communications technology provider | - | - | 70.00 | 30.00 |
| *Macro Kiosk FZ-LLC | Dubai, United Arab Emirates | Dormant | - | - | 70.00 | 30.00 |

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20 SUBSIDIARIES (CONTINUED)

| | | | 31.12.2013 | | Restated 31.1.2013 | |
|---|---|---|---|---|---|---|
| Name | Country of incorporation and place of business | Nature of business | Effective interest held by the group % | Effective interest held by non-controlling interest % | Effective interest held by the group % | Effective interest held by non-controlling interest % |
| Held by IGB Corporation Berhad+ and its subsidiaries | | | | | | |
| Abad Flora Sdn. Bhd [1] | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Amandamai Dua Sdn. Bhd. [1] | Malaysia | Property Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Amandamai Satu Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Angkasa Gagah Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Arabayu Sepakat Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | - | - |
| * Asian Equity Limited [2] | British Virgin Islands | Investment Holding | 17.40 | 82.60 | 16.69 | 83.31 |
| Atar Deras Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| * Auspicious Prospects Ltd. [3] | Liberia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Belimbing Hills Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| * Beswell Limited [4] | Hong Kong | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Bintang Buana Sdn. Bhd. [1] | Malaysia | Property Development | 28.47 | 71.53 | 27.31 | 72.69 |
| Central Review (M) Sdn. Bhd. [1] | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Cipta Klasik (M) Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Cititel Hotel Management Sdn. Bhd. | Malaysia | Provision of Hotel Management Services | 18.98 | 81.02 | 18.20 | 81.80 |
| * Cititel Hotels Pty Ltd [4] | Australia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Corpool Holdings Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |

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20 SUBSIDIARIES (CONTINUED)

| | | | 31.12.2013 | | Restated 31.1.2013 | |
|---|---|---|---|---|---|---|
| Name | Country of incorporation and place of business | Nature of business | Effective interest held by the group % | Effective interest held by non-controlling interest % | Effective interest held by the group % | Effective interest held by non-controlling interest % |
| Held by IGB Corporation Berhad+ and its subsidiaries (continued) | | | | | | |
| Danau Bidara (M) Sdn. Bhd. [1] | Malaysia | Property Holdings | 31.63 | 68.37 | 30.34 | 69.66 |
| Detik Harapan Sdn. Bhd. | Malaysia | Operator Educational Institutions | 18.98 | 81.02 | 18.21 | 81.79 |
| Dian Rezki Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Dimensi Magnitud Sdn. Bhd. | Malaysia | Property Investment | 22.14 | 77.86 | 21.24 | 78.76 |
| Distinctive Ace Sdn. Bhd. [5] | Malaysia | Property Development and Property Investment | 15.82 | 84.18 | - | - |
| Earning Edge Sdn. Bhd. [6] | Malaysia | Investment Holding | 20.56 | 79.44 | 19.72 | 80.28 |
| Eastwind Alliance Sdn. Bhd. [4] | Malaysia | Investment Holding | 31.63 | 68.37 | - | - |
| Ensignia Construction Sdn. Bhd. | Malaysia | Investment Holding and construction | 31.63 | 68.37 | 30.34 | 69.66 |
| * Grapevine Investments Pte. Ltd. | Singapore | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Great Union Properties Sdn. Bhd. | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Harta Villa Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| ICDC Holdings Sdn. Bhd. [7] | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| ICDC Management Sdn. Bhd. *(Application for strike-off completed during the year)* | Malaysia | Property Management | - | - | 30.34 | 69.66 |
| Idaman Spektra Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| IGB International School Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |

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NOTES TO THE FINANCIAL STATEMENTS
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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by IGB Corporation Berhad+ and its subsidiaries (continued) | | | | | | |
| IGB International Ventures Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Property Management Services Sdn. Bhd. | Malaysia | Property Management Services | 31.63 | 68.37 | 30.34 | 69.66 |
| IGB Project Management Services Sdn. Bhd. | Malaysia | Project Management Services | 31.63 | 68.37 | 30.34 | 69.66 |
| IGB Properties Sdn. Bhd. | Malaysia | Property Investment and Management | 31.63 | 68.37 | 30.34 | 69.66 |
| IGB REIT Management Sdn. Bhd. | Malaysia | Management of real estate investment trust | 31.63 | 68.37 | 30.34 | 69.66 |
| IGB Real Estate Investment Trust | Malaysia | Real Estate Investment Trust | 16.13 | 83.87 | 15.48 | 84.52 |
| Innovation & Concept Development Co. Sdn. Bhd. [7] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Intercontinental Aviation Services Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| IST Buillding Products Sdn. Bhd. | Malaysia | Trading of Building Materials | 31.63 | 68.37 | 30.34 | 69.66 |
| IT&T Engineering & Construction Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Kemas Muhibbah Sdn. Bhd. [8] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Kenny Vale Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Kondoservis Sdn. Bhd. [1] | Malaysia | Provision of Management Services to Condominiums | 31.63 | 68.37 | 30.34 | 69.66 |

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FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by IGB Corporation Berhad[+] and its subsidiaries (continued) | | | | | | |
| KrisAssets Holdings Berhad *(under menbers' voluntary liquidation)* | Malaysia | Investment Holding | 20.09 | 79.91 | 19.27 | 80.73 |
| Lagenda Sutera (M) Sdn. Bhd. [4] | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| * Lingame Company Limited | Hong Kong | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Megan Prestasi Sdn. Bhd. | Malaysia | Property Development and Property Investment | 31.63 | 68.37 | - | - |
| * Micasa Hotel Limited [9] | Myanmar | Hotelier | 20.56 | 79.44 | 19.72 | 80.28 |
| Mid Valley Capital Sdn Bhd [10] *(under members' voluntary liquidation)* | Malaysia | Special Purpose Vehicle Issuance of Bonds | 20.09 | 79.91 | 19.27 | 80.73 |
| Mid Valley City Sdn. Bhd. | Malaysia | Service Provider for IGB REIT | 31.63 | 68.37 | 19.27 | 80.73 |
| Mid Valley City Developments Sdn. Bhd. | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City Energy Sdn. Bhd. | Malaysia | Distribution of Utilities | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City Enterprise Sdn. Bhd. | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City Gardens Sdn. Bhd. | Malaysia | Service Provider for IGB REIT | 31.63 | 68.37 | 19.27 | 80.73 |
| Mid Valley City Hotels Sdn. Bhd. | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City North Tower Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City Property Services Sdn. Bhd. [11] | Malaysia | Provision of building and maintenance services | 31.63 | 68.37 | 30.34 | 69.66 |

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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by IGB Corporation Berhad+ and its subsidiaries (continued) | | | | | | |
| Mid Valley City South Tower Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Mid Valley City Southpoint Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Murni Properties Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| MVC Centrepoint North Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| MVC Centrepoint South Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| MVC CyberManager Sdn. Bhd. | Malaysia | Operation of MSC cyber centre in Mid Valley City | 31.63 | 68.37 | 30.34 | 69.66 |
| MVC Exhibition and Fvent Services Sdn. Bhd. | Malaysia | Provision of Exhibition Services | 31.63 | 68.37 | 30.34 | 69.66 |
| Nova Persona Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| OPT Ventures Sdn. Bhd. [1] | Malaysia | Property Development | 22.14 | 77.86 | 21.24 | 78.76 |
| Outline Avenue (M) Sdn. Bhd. [1] | Malaysia | Property Development | 28.34 | 71.66 | 27.19 | 72.81 |
| Pacific Land Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| * Pacific Land Pte Ltd [4] | Singapore | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Pangkor Island Resort Sdn. Bhd. | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Pekeliling Land Sdn. Bhd. | Malaysia | Property Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Pekeliling Property Sdn. Bhd. | Malaysia | Property Management Services | 31.63 | 68.37 | 30.34 | 69.66 |

20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by IGB Corporation Berhad+ and its subsidiaries (continued) | | | | | | |
| Penang Garden Sdn. Bhd | Malaysia | Dormant | 31.63 | 68.37 | 30.34 | 69.66 |
| Permata Efektif (M) Sdn. Bhd. [1] | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Plaza Permata Management Services Sdn. Bhd | Malaysia | Property Management Services | 31.63 | 68.37 | 30.34 | 69.66 |
| Prima Condominium Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Primanah Property Sdn. Bhd. | Malaysia | Property Development | 31.63 | 68.37 | 30.34 | 69.66 |
| Puncak Megah (M) Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Rapid Alpha Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Reka Handal Sdn. Bhd. [1] | Malaysia | Property Development | 23.72 | 76.28 | 22.76 | 77.24 |
| Riraiance Enterprise Sdn. Bhd. | Malaysia | Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Salient Glory City Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Southkey Megamall Sdn. Bhd. | Malaysia | Property Investment & Development | 22.14 | 77.86 | 30.34 | 69.66 |
| St Giles Hotels (Asia) Limited [12] | Labuan | Provision of Hotel Management Services | 18.98 | 81.02 | 18.21 | 81.79 |
| Tanah Permata Sdn. Bhd. [4] | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |

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20 SUBSIDIARIES (CONTINUED)

| Name | Country of incorporation and place of business | Nature of business | 31.12.2013 Effective interest held by the group | 31.12.2013 Effective interest held by non-controlling interest | Restated 31.1.2013 Effective interest held by the group | Restated 31.1.2013 Effective interest held by non-controlling interest |
|---|---|---|---|---|---|---|
| | | | % | % | % | % |
| Held by IGB Corporation Berhad+ and its subsidiaries (continued) | | | | | | |
| Tan & Tan Developments Berhad | Malaysia | Property Development, Provision of Project Management Services and Investment Holding | 31.63 | 68.37 | 30.34 | 69.66 |
| Tan & Tan Realty Sdn. Bhd. [1] | Malaysia | Property Investment and Provision of Related Services and Operating of Food Court | 25.30 | 74.70 | 24.27 | 75.73 |
| The Gardens Theatre Sdn. Bhd. | Malaysia | Organiser and Co-ordinator of Stage Performances | 31.63 | 68.37 | - | - |
| TTD Sdn. Bhd. [1] | Malaysia | Hotelier | 31.63 | 68.37 | 30.34 | 69.66 |
| Verokey Sdn. Bhd. | Malaysia | Property Investment | 31.63 | 68.37 | 30.34 | 69.66 |
| Wilmer Link Limited [13] | British Virgin Islands | Dormant | 18.35 | 81.65 | 17.60 | 82.40 |
| X-Speed Sdn. Bhd. | Malaysia | Dormant | 31.63 | 68.37 | 30.34 | 69.66 |

Notes:

1 - Held by Tan & Tan Developments Berhad
2 - Held by Pacific Land Sdn. Bhd., and TTD Sdn. Bhd., 35.0% and 20.0% respectively.
3 - Held by Lingame Company Limited.
4 - Held by Pacific Land Sdn. Bhd.
5 - Held by Megan Prestasi Sdn. Bhd.
6 - Held by Pacific Land Sdn. Bhd., and TTD Sdn. Bhd., 45.0% and 20.0% respectively.
7 - Held by ICDC Holdings Sdn. Bhd.
8 - Held by IGB Project Management Services Sdn. Bhd.
9 - Held by Earning Edge Sdn.Bhd.
10 - Held by KrisAssets Holdings Berhad
11 - Held by Mid Valley City Developments Sdn. Bhd
12 - Held by Cititel Hotel Management Sdn Bhd
13 - Held by IGB International Ventures Sdn Bhd

* *Companies audited by firms other than member firm of PricewaterhouseCoopers International Limited.*
\+ *Consolidated in accordance with FRS 10 as disclosed in Note 45.*

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

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20 SUBSIDIARIES (CONTINUED)

Summarised financial information on a subsidiary with material non-controlling interest.

The total non-controlling interest as at 31.12.2013 is RM3,102,460,000 (31.1.2013: RM3,510,460,000), of which RM3,082,489,000 (31.1.2013: RM3,470,171,000) is for IGB Group. The non-controlling interest in respect of other subsidiaries of RM19,971,000 (31.1.2013: RM40,289,000) is not material.

Set out below are the summarised financial information for each subsidiary that has non-controlling interest that are material to the group.

See Note 44 for transactions with non-controlling interests.

(a) Summarised statement of financial position

| | IGB Group | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Current | | |
| Assets | 1,657,708 | 2,588,665 |
| Liabilities | (706,471) | (697,478) |
| Total current net assets | 951,237 | 1,891,187 |
| Non-current | | |
| Assets | 5,247,361 | 4,498,567 |
| Liabilities | (1,725,830) | (1,669,410) |
| Total non-current net assets | 3,521,531 | 2,829,157 |
| Net assets | 4,472,768 | 4,720,344 |

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20 SUBSIDIARIES (CONTINUED)

Summarised financial information on subsidiaries with material non-controlling interests (continued)

(b) Summarised income statement

| | IGB Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 RM'000 | Year ended 31.1.2013 RM'000 |
| Revenue | 1,010,115 | 993,851 |
| Profit before income tax | 375,425 | 366,198 |
| Income tax expense | (91,683) | (144,154) |
| Profit for the period/year | 283,742 | 222,044 |
| Other comprehensive income | 255,731 | 2,858 |
| Total comprehensive income | 539,473 | 224,902 |
| Profit for the period/year allocated to non-controlling interests | 223,536 | 169,525 |
| Total comprehensive income allocated to non-controlling interests | 398,314 | 171,568 |
| Dividends paid to non-controlling interests | 212,070 | 114,309 |

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20 SUBSIDIARIES (CONTINUED)

Summarised financial information on subsidiaries with material non-controlling interests (continued)

(c) Summarised cash flows

| | IGB Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 |
| **Cash flows from operating activities** | | |
| Cash generated from operations | 441,453 | 368,796 |
| Interest paid | (70,861) | (51,406) |
| Income tax paid | (79,744) | (104,848) |
| Deposits held with trustee | (995) | (8,651) |
| Net cash generated from operating activities | 289,853 | 203,891 |
| Net cash (used in)/from investing activities | (339,020) | 563,386 |
| Net cash (used in)/from financing activities | (1,010,138) | 531,029 |
| Net decrease in cash and cash equivalents | (1,059,305) | 1,298,306 |
| Cash and cash equivalents at beginning of the financial period/year | 2,001,190 | 705,221 |
| Exchange gains/(loss) on cash and cash equivalents | 6,232 | (2,337) |
| Cash and cash equivalents at end of the financial period/year | 948,117 | 2,001,190 |

The information above is the amount before inter-company eliminations.

## 21 ASSOCIATES

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Unquoted ordinary shares in Malaysia | 137,462 | 124,233 |
| Unquoted ordinary shares outside Malaysia | 41,941 | 41,941 |
| | 179,403 | 166,174 |
| Add: Group's share of post- acquisition results and reserves | 220,707 | 207,616 |
| | 400,110 | 373,790 |
| Less: Accumulated impairment losses | (9,512) | (17,996) |
| | 390,598 | 355,794 |

| | Group | |
|---|---|---|
| | 11 months | Restated |
| | period ended | Year ended |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Profit for the financial period/year | 17,935 | 10,418 |

21 ASSOCIATES (CONTINUED)

The details of the associates are as follows:

| Name | Country of incorporation | Nature of business | Group's effective interest 31.12.2013 % | Group's effective interest Restated 31.1.2013 % |
|---|---|---|---|---|
| *Aroma Laundry and Dry Cleaners Sdn. Bhd. [1] *(Under members' voluntary liquidation)* | Malaysia | Provision of Laundry and Dry Cleaning Services | 6.33 | 6.07 |
| *DMV Sdn Bhd [2] | Malaysia | Property Development | 12.34 | 11.83 |
| Elements Gym Sdn Bhd [3] | Malaysia | Gym operation | 49.00 | 49.00 |
| *Fawkner Centre Pty Ltd [1] | Australia | Property Investment | 12.34 | 11.83 |
| G City Club Hotel Sdn Bhd [3] | Malaysia | Hotel operation | 49.00 | 49.00 |
| Gleneagles Medical Centre (Kuala Lumpur) Sdn. Bhd. [1] *(Under members'voluntary liquidation)* | Malaysia | Development and Investment in Medical Centres | 9.49 | 9.10 |
| Hampshire Properties Sdn Bhd [1] | Malaysia | Property Development and Property Investment | 15.82 | 15.17 |
| *HICOM Tan & Tan Sdn. Bhd. [1] | Malaysia | Property Development | 15.82 | 15.17 |
| Johan Kekal Sdn. Bhd. *(Under voluntary liquidation)* | Malaysia | Property Development | 15.82 | 15.17 |
| Jutanis Sdn. Bhd. [1] | Malaysia | Property Development | 14.23 | - |
| Kumpulan Sieramas (M) Sdn. Bhd. [1] | Malaysia | Property Development | 15.82 | 15.17 |
| Kundang Properties Sdn. Bhd. | Malaysia | Property Development | 15.82 | 15.17 |
| *Kyami Pty Ltd [1] (strike off in 2013) | Australia | Investment Holding | - | 12.14 |
| *Macrokiosk Philippines, Inc[4] | Philippines | Mobile communications technology provider | - | 26.60 |
| *Merchant Firm Limited [5] | British Virgin Islands | Investment Holding | 15.66 | 15.02 |
| *New Commercial Investments Limited[6] | British Virgin Islands | Investment Holding | 15.69 | 15.05 |

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21 ASSOCIATES (CONTINUED)

| Name | Country of incorporation | Nature of business | Group's effective interest 31.12.2013 % | Group's effective interest Restated 31.1.2013 % |
|---|---|---|---|---|
| Orion Corridor Sdn Bhd Sdn Bhd [7] | Malaysia | Dormant | 7.84 | 7.53 |
| *Pacific Land Company Limited [8] | Thailand | Investment Holding | 15.82 | 15.17 |
| Permata Alasan (M) Sdn. Bhd. [1] | Malaysia | Property Development Property Investment | 15.82 | 15.17 |
| *Ravencroft Investments Incorporated [9] | British Virgin Islands | Investment Holding | 15.66 | 15.02 |
| *Sierramas Lanscape Services Sdn. Bhd.[10] | Malaysia | Landscaping and Horticulture | 15.82 | 15.17 |
| *St Giles Hotel Limited [9] | United Kingdom | Hotels and Motels with Restaurants | 15.66 | 15.02 |
| *St Giles Hotel LLC [11] | United States of America | Hotelier | 15.66 | 15.02 |
| *St Giles Hotel (Heathrow) Limited [12] | United Kingdom | Hotels and Motels with Restaurants | 15.69 | 15.05 |
| *St Giles Hotel (Manila) Inc [7] | Philippines | Hotelier | 15.66 | 15.02 |
| *Technoltic Engineering Sdn Bhd | Malaysia | Servicing, Maintenance and Installation of Elevators | 12.65 | 12.14 |
| *Tentang Emas Sdn. Bhd. [1] | Malaysia | Investment Holding | 15.50 | 14.87 |

Notes:

1- Held by Tan & Tan Developments Berhad.
2 - Held by Tan & Tan Developments Berhad and IGB Corporation Berhad 26% and 13% respectively.
3- Held by Triple Hallmark Sdn Bhd
4- Held by Macro Kiosk Berhad
5 - Held by Ravencroft Investments Incorporated
6 - Held by Pacific Land Sdn. Bhd., and TTD Sdn. Bhd., 31.53% and 18.02% respectively.
7 - Held by Merchant Firm Limited.
8 - Held by Pacific Land Sdn. Bhd.
9 - Held by Pacific Land Sdn. Bhd., Beswell Limited and TTD Sdn. Bhd., 27.72%,7.65% and 14.10% respectively.
10 - Held by Kumpulan Sierramas (M) Sdn. Bhd.
11 - Held by St Giles Hotel Limited
12 - Held by Pacific Land Sdn. Bhd., and TTD Sdn. Bhd., 31.53% and 18.02%

* *Companies audited by firms other than member firm of PricewaterhouseCoopers International Limited.*

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22 AVAILABLE-FOR-SALE FINANCIAL ASSETS

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Non-current | | | | |
| Unquoted shares in Malaysia | 5,682 | 5,682 | - | - |
| Unquoted shares outside Malaysia | 33,078 | 23,271 | 9,807 | - |
| | 38,760 | 28,953 | 9,807 | - |
| Less: Accumulated impairment losses | (28,903) | (28,903) | - | - |
| | 9,857 | 50 | 9,807 | - |
| Current | | | | |
| Quoted shares in Malaysia | 49,914 | 59,010 | 49,069 | 56,425 |
| Less: Accumulated impairment Losses | - | (201) | - | (201) |
| | 49,914 | 58,809 | 49,069 | 56,224 |
| | 59,771 | 58,859 | 58,876 | 56,224 |

Available-for-sale financial assets are denominated in the following currencies:

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Ringgit Malaysia | 49,964 | 58,859 | 49,069 | 56,224 |
| US Dollars | 9,807 | - | 9,807 | - |
| | 59,771 | 58,859 | 58,876 | 56,224 |

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23 CONCESSION RECEIVABLES

| | Group | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Non-current | 57,703 | 43,161 |
| Current | 6,198 | 9,595 |
| | 63,901 | 52,756 |

The Group has entered into service concession arrangements with the government of the People's Republic of China to construct and operate waste water treatment plants for a period ranging from 23 to 25 years. The terms of arrangement allows the Group to maintain and manage these treatment plants and receive consideration based on usage and rates as determined by the grantor for the entire duration of the concession subject to a minimum water volume calculated based on the waste water treatment plants normal capacity.

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction and operating services.

| | Group | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Fair value | 58,104 | 53,927 |

The fair values are based on cash flows discounted based on the discount rate of 4.5% (31.1.2013: 4.5%). The fair values are within level 2 of the fair value hierarchy.

## 24 DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

| | Group | | | Company | |
|---|---|---|---|---|---|
| | | Restated | Restated | | |
| | 31.12.2013 | 31.1.2013 | 1.2.2012 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Deferred tax assets | 1,649 | 5,893 | 8,618 | - | - |
| Deferred tax liabilities | (276,572) | (191,062) | (167,230) | (59) | (75) |
| Deferred tax liabilities (net) | (274,923) | (185,169) | (158,612) | (59) | (75) |

The movements in deferred tax assets and liabilities of the Group and Company during the financial period/year are as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 February | (185,169) | (158,612) | (75) | (93) |
| (Charged)/credited to income statement | | | | |
| - property, plant and equipment | (7,258) | (23,274) | 16 | 18 |
| - property development costs | (1,802) | (7) | - | - |
| - land held for property development | 235 | (76) | - | - |
| - tax losses | - | (2,510) | - | - |
| - accruals and provisions | (54) | 323 | - | - |
| - others | (275) | (904) | - | - |
| | (9,154) | (26,448) | 16 | 18 |
| Currency translation difference | (324) | (109) | - | - |
| Charged to statement of comprehensive income | (80,276) | - | - | - |
| At 31 December/At 31 January | (274,923) | (185,169) | (59) | (75) |

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24 DEFERRED TAX (CONTINUED)

| | Group | | | Company | |
|---|---|---|---|---|---|
| | | Restated | Restated | | |
| | 31.12.2013 | 31.1.2013 | 1.2.2012 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Subject to income tax: | | | | | |
| Deferred tax assets (before offsetting) | | | | | |
| - property, plant and equipment | 14 | 4,235 | 7,248 | - | - |
| - tax losses | - | - | 2,510 | - | - |
| - accruals and provisions | 2,091 | 2,145 | 1,822 | - | - |
| | 2,105 | 6,380 | 11,580 | - | - |
| Offsetting | (456) | (487) | (2,962) | - | - |
| Deferred tax assets (after offsetting) | 1,649 | 5,893 | 8,618 | - | - |
| Deferred tax liabilities (before offsetting) | | | | | |
| - property, plant and equipment | (267,179) | (183,866) | (163,605) | (59) | (75) |
| - property development costs | (4,673) | (2,871) | (2,864) | - | - |
| - land held for property development | (831) | (1,066) | (990) | - | - |
| - others | (3,880) | (3,605) | (2,701) | - | - |
| | (276,563) | (191,408) | (170,160) | (59) | (75) |
| Currency translation difference | (465) | (141) | (32) | - | - |
| | (277,028) | (191,549) | (170,192) | (59) | (75) |
| Offsetting | 456 | 487 | 2,962 | - | - |
| Deferred tax liabilities (after offsetting) | (276,572) | (191,062) | (167,230) | (59) | (75) |

24 DEFERRED TAX (CONTINUED)

The amounts of deductible temporary differences, unutilised capital allowances and unused tax losses (all of which have no expiry) for which no deferred tax asset is recognised in the statements of financial position are as follows:

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Tax losses | 78,130 | 71,891 |
| Deductible temporary differences | 13,861 | 13,329 |
| | 91,991 | 85,220 |
| Deferred tax assets not recognised at 25% (31.1.2013: 25%) | 22,998 | 21,305 |

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25 PROPERTY DEVELOPMENT COSTS

| | Note | Group 31.12.2013 RM'000 | Group Restated 31.1.2013 RM'000 |
|---|---|---|---|
| At 1 February | | | |
| Freehold land, at cost | | 131,091 | 92,656 |
| Leasehold land, at cost | | 81,816 | 84,652 |
| Development costs | | 130,209 | 66,850 |
| | | 343,116 | 244,158 |
| Add: Costs incurred during the financial period/year: | | | |
| - Freehold land | | 120,975 | - |
| - Development costs | | 103,115 | 61,656 |
| Add: Transferred (to)/from land held for property development: | | | |
| - Freehold land | 15 | (28,753) | 6,345 |
| - Development costs | 15 | (4,089) | 2,693 |
| Add: Transferred from property, plant and equipment: | | | |
| - Freehold land | 14 | - | 32,090 |
| - Development costs | 14 | - | 2,121 |
| Add: Charged out of cost in respect of completed developments during the financial period/year : | | | |
| - Freehold land | | (9,204) | - |
| - Development costs | | (60,237) | - |
| | | 464,923 | 349,063 |
| Less: Costs recognised to income statement in previous financial years | | (117,249) | (44,392) |
| Less: Costs recognised to income statement in current financial period/year | | (99,257) | (72,857) |
| Less: Transferred to investment properties: | | | |
| - Leasehold land | 16 | - | (2,836) |
| - Development costs | 16 | - | (3,111) |
| Less: Transfer to inventories | | (20,033) | - |
| Less: Charge out of costs recognised in income statement In respect of completed developments | | 69,532 | - |
| At 31 December/At 31 January | | 297,916 | 225,867 |
| Property development costs are analysed as follows: | | | |
| Freehold land, at cost | | 214,109 | 131,091 |
| Leasehold land, at cost | | 81,816 | 81,816 |
| Development costs | | 168,998 | 130,209 |
| Accumulated costs recognised as an expense in income statement | | (167,007) | (117,249) |
| At 31 December/At 31 January | | 297,916 | 225,867 |
| Leasehold land at cost charged as security for borrowings | 38 | 70,263 | 68,922 |

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26 INVENTORIES

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| At cost: | | |
| Inventories of unsold properties | 80,525 | 60,481 |
| Hotel operating supplies | 2,213 | 2,118 |
| Raw materials | 655 | 416 |
| Work-in-progress | 149 | 417 |
| Finished goods | 130 | 139 |
| | 83,672 | 63,571 |
| At net realisable value : | | |
| Finished goods | 124 | - |
| | 83,796 | 63,571 |

27 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Quoted shares-held for trading in Malaysia | 394 | 504 | - | - |
| Quoted bonds outside Malaysia | 379 | 352 | 379 | 352 |
| Quoted shares outside Malaysia | 16,154 | 12,568 | 16,154 | 12,568 |
| | 16,927 | 13,424 | 16,533 | 12,920 |

Changes in fair values of financial assets at fair value through profit or loss are recorded in 'other income' in the income statement (Note 8).

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

### 28 AMOUNTS OWING FROM/(TO) ASSOCIATES

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Amounts owing by associates | | |
| - advances | 85,393 | 71,959 |
| - trade | 9,872 | 5,077 |
| Less: Allowance for impairment | (8,507) | (11,011) |
| | 86,758 | 66,025 |
| Amounts owing to associates: | | |
| - advances | 4,107 | 22,487 |

The amounts owing by associates represent advances which are unsecured and are repayable on demand. The amounts owing by associates are interest free (31.1.2013: interest free) except for an amount of RM19,439,000 (31.1.2013: Nil), which carries interest at a rate of 15.0% (31.1.2013: Nil) per annum. The amounts owing to associates are interest free (31.1.2013: interest free).

Credit term of receivables from associate which are trade in nature are 30 days (31.1.2013: 30 days).

### 29 TRADE AND OTHER RECEIVABLES

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Trade receivables | 86,969 | 93,931 | - | - |
| Less: Allowance for impairment of trade receivables | (6,820) | (9,371) | - | - |
| | 80,149 | 84,560 | - | - |
| Other receivables | 36,131 | 77,918 | 1,720 | 8,115 |
| Less: Allowance for impairment of other receivables | (6,598) | (4,943) | - | - |
| | 29,533 | 72,975 | 1,720 | 8,115 |

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29 TRADE AND OTHER RECEIVABLES (CONTINUED)

| | Group | Group | Company | Company |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Accrued billings in relation to property development | 58,278 | 31,928 | - | - |
| Deposits | 27,670 | 31,405 | 5 | 5 |
| Prepayments | 35,783 | 31,301 | * | * |
| | 151,264 | 167,609 | 1,725 | 8,120 |
| Total | 231,413 | 252,169 | 1,725 | 8,120 |

*Less than RM1,000

Credit terms of trade receivables ranged from 7 to 90 days (31.1.2013: 7 to 90 days).

As at 31 December 2013, trade receivables of RM65,700,000 (31.1.2013: RM78,938,000) were past due but not impaired. These relate to a number of independent customers. No impairment has been made on these amounts as the Group is closely monitoring these receivables and is confident of their eventual recovery. The ageing of these trade receivables is as follows:

| | Group | Group |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Current receivables past due: | | |
| Up to 3 months | 62,773 | 76,084 |
| 3 to 6 months | 2,158 | 2,313 |
| Over 6 months | 769 | 541 |
| | 65,700 | 78,938 |

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29 TRADE AND OTHER RECEIVABLES (CONTINUED)

As at 31 December 2013, trade and other receivables of RM13,418,000 (31.1.2013: RM14,314,000) were impaired and provided for. The individually impaired receivables mainly relate to customers which are in unexpectedly difficult economic situations. The ageing of these receivables is as follows:

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Up to 6 months | - | 134 |
| Above 6 months | 13,418 | 14,180 |
| | 13,418 | 14,314 |

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair values.

Movement on the allowance for impairment of trade and other receivables is as follows:

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| At 1 February | 14,314 | 17,622 |
| Allowance for impairment of receivables | 5,181 | 1,004 |
| Receivables written off during the financial period/year as uncollected | (5,347) | (2,977) |
| Unused amounts reversed | (1,012) | (686) |
| Currency translation differences | 282 | 67 |
| Disposal of a subsidiary | - | (693) |
| Receivables recovered | - | (23) |
| At 31 December/At 31 January | 13,418 | 14,314 |

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group and the Company do not hold any collateral as security.

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30 CASH AND CASH EQUIVALENTS

| | Group | Group | Company | Company |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Non-current | | | | |
| Deposits with licensed banks | 95,000 | 95,000 | - | - |
| Deposits, cash and bank balances | 95,000 | 95,000 | - | - |
| Less: Restricted Cash (a) | (95,000) | (95,000) | - | - |
| Cash and cash equivalents | - | - | - | - |
| Current | | | | |
| Deposits with licensed banks | 813,126 | 1,827,431 | 70,411 | 32,010 |
| Cash and bank balances | 244,044 | 252,539 | 18,172 | 11,373 |
| Deposits, cash and bank balances | 1,057,170 | 2,079,970 | 88,583 | 43,383 |
| Cash held under Housing Development Accounts (b) | 32,984 | 5,259 | - | - |
| Less: Restricted Cash (a) | (28,726) | (27,731) | (300) | (300) |
| Cash and cash equivalents | 1,061,428 | 2,057,498 | 88,283 | 43,083 |

Bank balances are deposits held at call with licensed banks and earn no interest.

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30 CASH AND CASH EQUIVALENTS (CONTINUED)

(a) Restricted Cash

Deposits pledged have been placed with licensed banks as securities for secured interest bearing bank borrowings of the Group and of the Company (Note 38), and are not available for use by the Group and the Company.

Included in deposits placed with licensed banks is an amount of RM27,436,000 (31.1.2013: RM26,441,000), which is maintained as a Debt Service Reserve Account with a facility agent to cover a minimum of 6 months interest for a Syndicated Financing Facility granted to IGB REIT (Note 38).

Fixed deposits with licensed banks of the Group and of the Company have an average maturity period of 34 days (31.1.2013: 14 days) and 39 days (31.1.2013: 13 days) respectively.

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | % | % | % | % |
| Weighted average effective interest rate as at: | | | | |
| Deposits with licensed banks | 2.94 | 2.82 | 3.42 | 3.18 |

(b) Cash held under Housing Development Accounts

Bank balances held under the Housing Development Accounts represents receipts from purchasers of residential properties less payments or withdrawals provided under Section 7A of the Housing Development (Control and Licensing) Amendment Act, 2002 held at call with banks and are denominated in Ringgit Malaysia.

The weighted average effective interest rates of bank balances under Housing Development Accounts during the financial period were 2% (31.1.2013: 2%) per annum.

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31 SHARE CAPITAL

| | Group and Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Authorised | | |
| Ordinary shares of RM1.00 each: | | |
| At beginning and end of the financial period/year | 1,000,000 | 1,000,000 |
| Issued and fully paid | | |
| Ordinary shares of RM1.00 each: | | |
| At 1 February | 610,494 | 610,368 |
| Issuance of shares under the Employee's Share Option Scheme (Note a) | - | 126 |
| At 31 December/At 31 January | 610,494 | 610,494 |

(a) Ordinary shares of RM1.00 each

In the previous financial year, the Company increased its issued and paid-up ordinary share capital from RM610,367,556 to RM610,494,056 by way of the issuance of 126,500 ordinary shares of RM1.00 each pursuant to the exercise of the Employees' Share Option Scheme ("ESOS") at exercise prices ranging from RM1.00 to RM1.49 per option. The premium arising from the exercise of ESOS of RM79,892 has been credited to the Share Premium (Note 32).

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

32 SHARE PREMIUM

| | Group and Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| At 1 February | 103,221 | 103,141 |
| Distribution of treasury shares as dividend | (35,181) | - |
| Disposal of treasury shares | (275) | - |
| Arising from exercise of ESOS (Note 31(a)) | - | 80 |
| At 31 December/At 31 January | 67,765 | 103,221 |

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33 TREASURY SHARES

Shareholders of the Company had approved an ordinary resolution at the Annual General Meeting held on 27 June 2013 for the Company to repurchase its own shares up to a maximum of 10% of the issued and paid up capital of the Company. The Directors of the Company were committed to enhancing the value of the Company and believed that the repurchase plan was being applied in the best interest of the Company and its shareholders.

During the financial period, the Company repurchased 24,000,500 of its issued share capital from the open market for RM47,894,271. The average price paid for the shares repurchased was approximately RM2.00 per share. As at 31 December 2013, a total of 20,553,953 (31.1.2013: 24,086,400) ordinary shares of RM1.00 each were held as treasury shares.

The Company also sold 10,092,400 of its repurchased ordinary shares to the open market at an average price of RM2.00 per share. The total consideration received for the resale including transaction costs was RM20,119,352.

Details of the shares purchased were as follows:

| 31.12.2013 | Number of shares | Total consideration paid/cost (RM) | Purchase price per share (RM) | | Average cost per share (RM) |
|---|---|---|---|---|---|
| | | | Lowest | Highest | |
| **At 1 February 2013** | 24,086,400 | 48,827,314 | 1.99 | 2.05 | 2.03 |
| Shares repurchased during the financial period: | | | | | |
| February 2013 | 78,100 | 156,704 | 1.99 | 2.00 | 2.01 |
| March 2013 | 10,950,900 | 21,975,743 | 1.99 | 2.00 | 2.01 |
| June 2013 | 2,241,800 | 4,498,817 | 1.99 | 2.00 | 2.01 |
| July 2013 | 3,642,500 | 7,281,234 | 1.96 | 2.00 | 2.00 |
| August 2013 | 6,172,800 | 12,187,802 | 1.92 | 1.98 | 1.97 |
| September 2013 | 864,400 | 1,694,446 | 1.93 | 1.96 | 1.96 |
| October 2013 | 40,000 | 78,774 | 1.95 | 1.96 | 1.97 |
| December 2013 | 10,000 | 20,751 | 2.06 | 2.06 | 2.08 |
| Shares disposed during the financial period: | | | | | |
| April 2013 | (10,092,400) | (20,394,308) | | | |
| Distributed as share dividend: | | | | | |
| July 2013 | (17,440,547) | (35,180,676) | | | |
| **At 31 December 2013** | 20,553,953 | 41,146,601 | 1.92 | 2.06 | 2.00 |

33 TREASURY SHARES (CONTINUED)

| 31.1.2013 | Number of shares | Total consideration paid (RM) | Purchase price per share (RM) | | Average cost per share (RM) |
|---|---|---|---|---|---|
| | | | Lowest | Highest | |
| **At 1 February 2012** | - | - | - | - | - |
| Shares repurchased during the financial year: | | | | | |
| July 2012 | 704,100 | 1,448,568 | 2.05 | 2.05 | 2.06 |
| August 2012 | 1,389,000 | 2,857,587 | 2.05 | 2.05 | 2.06 |
| September 2012 | 6,176,600 | 12,639,784 | 2.01 | 2.04 | 2.05 |
| October 2012 | 6,386,900 | 12,882,517 | 2.01 | 2.02 | 2.02 |
| November 2012 | 1,492,500 | 3,010,058 | 2.01 | 2.01 | 2.02 |
| December 2012 | 35,100 | 71,067 | 2.01 | 2.01 | 2.02 |
| January 2013 | 7,902,200 | 15,917,733 | 1.99 | 2.01 | 2.01 |
| **At 31 January 2013** | 24,086,400 | 48,827,314 | 1.99 | 2.05 | 2.03 |

The repurchase transactions were financed by internally generated funds. The balance of the shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965 and carried at purchase cost. The Company has the right to distribute these shares as dividends to reward shareholders and/ or resell the shares. As treasury shares, the rights attached as to voting, dividends and participation in others distribution are suspended.

As at 31 December 2013, the number of outstanding ordinary shares in issue after the set off of treasury shares is 589,940,103 (31.1.2013: 586,407,656) ordinary shares of RM1.00 each.

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34 OTHER RESERVES

| | Surplus on revaluation of properties RM'000 | Capital distribution reserve RM'000 | Available for-sale reserve RM'000 | Exchange fluctuation reserve RM'000 | Total RM'000 |
|---|---|---|---|---|---|
| Group | | | | | |
| 31.12.2013 | | | | | |
| At 1 February 2013 (restated) | 124,719 | 55,535 | 18,863 | (12,231) | 186,886 |
| Exchange fluctuation reserves | | | | | |
| - currency translation differences | - | - | - | 7,399 | 7,399 |
| - disposal of a subsidiary | - | - | - | 226 | 226 |
| Surplus on revaluation of hotel properties | 101,572 | - | - | - | 101,572 |
| Deferred tax on revaluation surplus on hotel properties | (25,393) | - | - | - | (25,393) |
| Realisation of revaluation surplus on property, plant and equipment, net of tax | (805) | - | - | - | (805) |
| Capital distribution in a subsidiary | - | (55,535) | - | - | (55,535) |
| Available-for-sales financial assets | | | | | |
| - net change in fair values | - | - | (8,039) | - | (8,039) |
| - transfer to profit or loss on disposal | - | - | (463) | - | (463) |
| Changes in ownership interests in subsidiaries that do not result in a loss of control | 5,298 | - | - | (35) | 5,263 |
| At 31 December 2013 | 205,391 | - | 10,361 | (4,641) | 211,111 |

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34 OTHER RESERVES (CONTINUED)

| | Share option reserve RM'000 | Surplus on revaluation of properties RM'000 | Capital distribution reserve RM'000 | Available for-sale reserve RM'000 | Exchange fluctuation reserve RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| Group | | | | | | |
| 31.1.2013 (Restated) | | | | | | |
| At 1 February 2012 (restated) | 30 | 144,403 | 50,966 | 8,733 | (7,424) | 196,708 |
| Exchange fluctuation reserves | | | | | | |
| - currency translation differences | - | - | - | - | 1,292 | 1,292 |
| - disposal of subsidiaries | - | - | - | - | (6,366) | (6,366) |
| Recycling of reserves to retained earnings on deemed disposal of an associate | - | (28,965) | (81) | - | 1,009 | (28,037) |
| Realisation of revaluation surplus on property, plant and equipment, net of tax | - | (1,265) | - | - | - | (1,265) |
| Available-for-sales financial assets | | | | | | |
| - net change in fair values | - | - | - | 11,538 | - | 11,538 |
| - transfer to profit or loss on disposal | - | - | - | (1,408) | - | (1,408) |
| Issuance of share - ESOS | (30) | - | - | - | - | (30) |
| Changes in ownership interests in subsidiaries that do not result in a loss of control | - | 10,546 | 4,650 | - | (742) | 14,454 |
| At 31 January 2013 (restated) | - | 124,719 | 55,535 | 18,863 | (12,231) | 186,886 |

## 34 OTHER RESERVES (CONTINUED)

| | Company | | |
|---|---|---|---|
| | Available for-sale reserve RM'000 | Share option reserve RM'000 | Total RM'000 |
| 31.12.2013 | | | |
| At 1 February 2013 | 18,382 | - | 18,382 |
| Net change in fair values | (7,967) | - | (7,967) |
| Transfer to profit or loss on disposal | (11) | - | (11) |
| At 31 December 2013 | 10,404 | - | 10,404 |
| 31.1.2013 | | | |
| At 1 February 2012 | 8,320 | 30 | 8,350 |
| Net change in fair values | 11,470 | - | 11,470 |
| Transfer to profit or loss on disposal | (1,408) | - | (1,408) |
| Issuance of shares – ESOS | - | (30) | (30) |
| At 31 January 2013 | 18,382 | - | 18,382 |

## 35 RETAINED EARNINGS

Under the single-tier tax system which came into effect from the year of assessment 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act, 1967 for dividend payment purposes. Dividends paid under this system are tax exempt in the hands of the shareholders.

Subject to agreement by the Inland Revenue Board, the Company has tax exempt income amounting to RM126,120 (31.1.2013: RM126,120) available for distribution as tax exempt dividends to shareholders.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

### 36 TRADE AND OTHER PAYABLES

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Non-current | | | | |
| Deposits received | 73,405 | 64,723 | - | - |
| | 73,405 | 64,723 | - | - |
| Current | | | | |
| Trade payables | 125,226 | 82,721 | - | - |
| Other payables | 83,343 | 82,636 | 14 | 2 |
| Accruals | 188,253 | 136,904 | 445 | 487 |
| Deposits received | 94,760 | 75,864 | - | - |
| Deferred revenue | 4,905 | 5,423 | - | - |
| | 496,487 | 383,548 | 459 | 489 |
| Total | 569,892 | 448,271 | 459 | 489 |

Included in trade and other payables of the Group is retention sum of RM36,267,000 (31.1.2013: RM23,938,818).

Credit terms of trade payables ranged from 30 to 90 days (31.1.2013: 30 to 90 days).

The fair value of the non-current portion of deposits received from tenants at the reporting date was approximately RM73,405,000 (31.1.2013: RM64,723,000).

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NOTES TO THE FINANCIAL STATEMENTS
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37 HIRE-PURCHASE AND FINANCE LEASE PAYABLES

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Minimum payments: | | |
| - Payable within 1 year | 89 | 81 |
| - Payable between 1 and 5 years | 212 | 156 |
| | 301 | 237 |
| Less: Future finance charges | (32) | (23) |
| Present value of liabilities | 269 | 214 |
| Present value of liabilities: | | |
| Current | | |
| - Payable within 1 year | 75 | 70 |
| Non-current | | |
| - Payable between 1 and 5 years | 194 | 144 |
| | 269 | 214 |

Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessors in the event of default.

The interest rates for the financial period ranged from 2.42% to 3.70% (31.1.2013: 3.10% to 3.75%) per annum. As at 31 December 2013, the effective interest rate applicable to the hire-purchase and finance lease payables was 5.76% (31.1.2013: 6.51%) per annum.

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38 INTEREST BEARING BANK BORROWINGS

| | Note | Group 31.12.2013 RM'000 | Group Restated 31.1.2013 RM'000 |
|---|---|---|---|
| Non-current | | | |
| Secured: | | | |
| - Term loans | (b) | 1,484,909 | 1,526,581 |
| Current | | | |
| Secured: | | | |
| - Revolving credits | (a) | 206,910 | 346,294 |
| - Term loans | (b) | 56,378 | 16,557 |
| | | 263,288 | 362,851 |
| Total | | | |
| - Revolving credits | (a) | 206,910 | 346,294 |
| - Term loans | (b) | 1,541,287 | 1,543,138 |
| | | 1,748,197 | 1,889,432 |

The weighted average effective interest rates per annum at the end of reporting date of the Group for the above borrowings are as follows:

| | Group 31.12.2013 % | Group Restated 31.1.2013 % |
|---|---|---|
| Weighted average effective interest rate as at: | | |
| Revolving credits | 4.36 | 4.36 |
| Term loans | 4.66 | 4.65 |

38 INTEREST BEARING BANK BORROWINGS (CONTINUED)

Estimated fair values

The carrying amounts and fair values of the borrowings are as follows:

| | Group | | Restated | |
|---|---|---|---|---|
| | 31.12.2013 | | 31.1.2013 | |
| | Carrying amount RM'000 | Fair value RM'000 | Carrying amount RM'000 | Fair value RM'000 |
| Revolving credits | 206,910 | 206,910 | 346,294 | 346,294 |
| Term loans | 1,541,287 | 1,487,519 | 1,543,138 | 1,538,496 |
| | 1,748,197 | 1,694,429 | 1,889,432 | 1,884,790 |

The fair value of borrowings is estimated based on discounted cash flows using prevailing market rates for borrowings with similar risks profile and within level 2 of the fair value hierarchy.

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38 INTEREST BEARING BANK BORROWINGS (CONTINUED)

| | Maturity profile | | | | Total carrying amount |
|---|---|---|---|---|---|
| | ≤1 year RM'000 | 1-2 year RM'000 | 2-5 years RM'000 | ≥ 5 years RM'000 | RM'000 |
| At 31 December 2013 | | | | | |
| Revolving credits: | | | | | |
| - Floating interest rate | 116,910 | - | - | - | 116,910 |
| - Fixed interest rate | 90,000 | - | - | - | 90,000 |
| Term loans: | | | | | |
| - Floating interest rate | 40,196 | - | - | - | 40,196 |
| - Fixed interest rate | 16,182 | 90,000 | 1,394,909 | - | 1,501,091 |
| | 263,288 | 90,000 | 1,394,909 | - | 1,748,197 |
| At 31 January 2013 (restated) | | | | | |
| Revolving credits: | | | | | |
| - Floating interest rate | 256,294 | - | - | - | 256,294 |
| - Fixed interest rate | 90,000 | - | - | - | 90,000 |
| Term loans: | | | | | |
| - Floating interest rate | - | 41,168 | 2,032 | - | 43,200 |
| - Fixed interest rate | 16,557 | - | 1,383,381 | 100,000 | 1,499,938 |
| | 362,851 | 41,168 | 1,385,413 | 100,000 | 1,889,432 |

38 INTEREST BEARING BANK BORROWINGS (CONTINUED)

(a) Revolving credits

The revolving credits of the Group are secured by way of:

(i) Fixed charge on the freehold land of a subsidiary together with the 30 storey commercial building constructed thereon (Note 16);

(ii) Corporate guarantee by the Company to its subsidiaries;

(iii) Deposit of master title of a piece of land held for property development (Note 25); and

(iv) Deposits pledged with licensed banks (Note 30).

The revolving credit facility of the Company is secured by way of:

(i) Fixed deposits amounting to RM300,000 placed with a licensed bank (Note 30).

(b) Term loans

Term loans obtained by the Group comprise of the following:

A. AmTrustee Berhad ("the Trustee"), on behalf of IGB REIT, as borrower, has obtained the Syndicated Financing Facilities ("SFF") comprising the following:

(a) A fixed rate term loan facility ("FRTL") of up to RM1,200 million; and
(b) A standby revolving credit facility of ("SBRC") of up to RM20 million.

The FRTL has a tenure of five (5) years from the date of first drawdown with an option to extend the same for a further two (2) years exercisable by the Trustee. For the first five (5) years, the FRTL bears a fixed interest rate of 4.4% per annum. In the event the FRTL is extended, the interest rates for the sixth and the seventh year shall be stepped up to 5.0% per annum.

The SBRC has tenure of seven (7) years from the date of fulfilment of all conditions precedent. The SBRC bears a floating interest rate of the aggregate effective costs of funds and a margin of 0.7% per annum.

38 INTEREST BEARING BANK BORROWINGS (CONTINUED)

(b) Term loans (continued)

A. AmTrustee Berhad ("the Trustee"), on behalf of IGB REIT, as borrower, has obtained the Syndicated Financing Facilities ("SFF") comprising the following: (continued)

The SFF are secured against, among others, the following:

(i) a first party assignment by the Trustee of its rights, title, interests and benefits in Mid Valley Megamall and under the sale and purchase agreement in relation to Mid Valley Megamall pursuant to the Acquisitions and all other documents evidencing the Trustee's interest in Mid Valley Megamall. In the event the subdivision of master title is completed and a separate strata title is issued for Mid Valley Megamall ("Megamall Strata Title"), a first party first legal charge shall be created by the Trustee on the Megamall Strata Title for the benefit of the syndicated lenders;

(ii) an undertaking from the Trustee and IGB REIT Management Sdn Bhd ("the Manager");

(a) to deposit all cash flows generated from Mid Valley Megamall into the revenue account; and
(b) that it shall not declare or make any dividends or distributions out of the cashflow derived from Mid Valley Megamall to the Unitholders if an event of default has occurred under the terms of the SFF, and is continuing and has not been waived;

(iii) a first party legal assignment and charge by the Trustee over all rights, interests, title and benefits relating to the following designated accounts:

(a) the revenue account into which the Trustee shall credit, among others, all income and insurance proceeds derived from or in relation to Mid Valley Megamall;
(b) the operating account which is to capture funds transferred from the revenue account for the purpose of managing the operating expenditure of Mid Valley Megamall; and
(c) the debt service reserve account which is to capture funds transferred from the revenue account for purposes of meeting the debt service requirement;

(iv) a first party legal assignment by the Trustee of all the proceeds under the tenancy/lease agreements in relation to Mid Valley Megamall; and

(v) a first party legal assignment over all of the Trustee's rights, interests, titles and benefits and all the insurance policies in relation to Mid Valley Megamall and the security agent (acting for and on behalf of the syndicated lenders) being named as the loss payee and beneficiary of the insurance policies.

As at 31 December 2013, the outstanding amount of the SFF including accrued interest is RM1,222,515,000 (31.1.2013: RM1,220,987,000).

38 INTEREST BEARING BANK BORROWINGS (CONTINUED)

(b) Term loans (continued)

B. A term loan ("TL") of RM40 million of a subsidiary with a tenure of five (5) years from the date of first drawdown and bears a floating interest rate of the aggregate effective cost of funds and a margin of 1.35% per annum.

The TL is secured against the following:

i) A first party charge over hotel properties (Note 14);

ii) Debenture over assets of the subsidiary; and

iii) Assignment of all insurance policies of the subsidiary.

As at 31 December 2013, the outstanding amount of the TL including accrued interest is RM40,196,000 (31.1.2013: RM112,437,000).

C. Term loan obtained by a subsidiary comprise a FRTL of RM200 million with a tenure of ten (10) years from the date of first drawdown and bears a fixed interest rate of 5.85% per annum.

The FRTL is secured against the hotel property of a subsidiary (Note 14).

As at 31 December 2013, the outstanding amount of the FRTL including accrued interest is RM201,282,000 (31.1.2013: RM201,279,000).

D A term loan of RM90 million of a subsidiary with a tenure of five (5) years from the date of first drawdown and bears a fixed interest rate of 5.3% per annum.

The loan secured against the freehold land of a subsidiary together with the 30 storey commercial building constructed thereon (Note 16).

As at 31 December 2013, the outstanding amount of the term loan is RM90,000,000 (31.1.2013: RM90,000,000).

39 ADVANCES TO/(FROM) SUBSIDIARIES

The advances to subsidiaries are unsecured, repayable on demand and carry interest rates ranged from 4.00% to 4.50% (31.1.2013: 4.00% to 4.50%) per annum.

The advances from subsidiaries are unsecured, interest free and have no fixed terms of repayment.

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40 FINANCIAL GUARANTEE CONTRACT

| | Company | |
|---|---|---|
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| At 1 February | 29 | 58 |
| Finance income credited to the income statement | (29) | (29) |
| At 31 December/At 31 January | - | 29 |

The financial guarantee contract is the fair value of corporate guarantee given by the Company to its subsidiary on the interest bearing bank borrowings of a subsidiary.

41 DIVIDENDS

On 3 July 2013, the Directors declared an interim dividend in respect of the financial period ended 31 December 2013 by way of distribution of tax-exempt share dividend on the basis of three (3) treasury shares for every one hundred (100) existing ordinary shares of RM1.00 each held at 4.00 p.m. on 18 July 2013. The share dividend involved the distribution of 17,440,547 treasury shares which were credited into the entitled Depositors' Securities Accounts on 31 July 2013.

On 27 February 2014, the Directors also declared an interim dividend in respect of the financial period ended 31 December 2013 by way of distribution of tax-exempt share dividend on the basis of three (3) treasury shares for every one hundred (100) existing shares held at 4.00 pm on 14 March 2014. The share dividend involved the distribution of 17,695,933 treasury shares which were credited into the entitled Depositors' Securities Accounts on 14 March 2014.

The Directors do not recommend the payment of any final dividend for the financial period ended 31 December 2013.

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NOTES TO THE FINANCIAL STATEMENTS
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42 CAPITAL COMMITMENTS

| | Group | |
|---|---|---|
| | | Restated |
| | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 |
| Approved and contracted for: | | |
| - Property, plant and equipment | 321,724 | 2,955 |
| - Investment properties | 52,779 | 19,222 |
| Approved but not contracted for: | | |
| - Property, plant and equipment | 22,401 | 88,743 |
| - Investment properties | 4,918 | - |
| | 401,822 | 110,920 |

43 SIGNIFICANT RELATED PARTY DISCLOSURES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Key management personnel of the Group and of the Company are the Executive Director and senior management of the Group and of the Company.

Key management compensation is as follows:

| | Group | | Company | |
|---|---|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 | 11 months period ended 31.12.2013 | Year ended 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Wages, salaries and bonus | 28,815 | 25,147 | 1,957 | 1,531 |
| Defined contribution plan | 3,144 | 3,128 | 239 | 190 |
| Employees' share options | - | - | - | - |
| Fees | 548 | 715 | 15 | 15 |
| Other short term benefits | 275 | 405 | - | - |
| | 32,782 | 29,395 | 2,211 | 1,736 |

Included in the key management compensation is Executive Director's remuneration as disclosed in Note 10 to the financial statements.

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43 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions agreed with the related parties.

| Related party | Relationship |
|---|---|
| G City Club Hotel Sdn Bhd | Associate |
| Elements Gym Sdn Bhd | Associate |
| Cahaya Utara Sdn Bhd | An associate of Wah Seong (Malaya) Trading Co. Sdn Bhd, a company in which Robert Tan Chung Meng, Pauline Tan Suat Ming and Tony Tan @ Choon Keat, Directors of IGB, have substantial financial interest. |
| Strass Media Sdn Bhd | A subsidiary of Wah Seong (Malaya) Trading Co. Sdn Bhd, a company in which Robert Tan Chung Meng, Pauline Tan Suat Ming and Tony Tan @ Choon Keat, Directors of IGB, have substantial financial interest. |

The significant related party transactions during the financial period/year are as follows:

| | Group | |
|---|---|---|
| | 11 months period ended 31.12.2013 | Restated Year ended 31.1.2013 |
| | RM'000 | RM'000 |
| Light boxes rental, pedestrian bridge and office rental: | | |
| - Strass Media Sdn Bhd | 2,104 | 1,600 |
| Management/marketing fee income: | | |
| - Cahaya Utara Sdn Bhd | 1,373 | 1,347 |
| Rental income from: | | |
| - G City Club Hotel Sdn Bhd | 9,349 | 9,951* |
| - Elements Gym Sdn Bhd | 1,571 | 1,417* |

* On 31 January 2013, the Group has via its wholly-owned subsidiary, Triple Hallmark Sdn Bhd disposed its 51% equity interest held in subsidiaries G City Club Hotel Sdn Bhd and Elements Gym Sdn Bhd, resulting in both companies becoming associates of the Group.

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43 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

The significant related party transactions during the financial period/year are as follows: (continued)

| | Company | |
|---|---|---|
| | 11 months period ended 31.12.2013 RM'000 | Year ended 31.1.2013 RM'000 |
| Transactions with subsidiaries | | |
| Interest income from: | | |
| - Macro Kiosk Berhad | 289 | 667 |
| - GTower Sdn Bhd | 1,251 | 781 |
| - Multistock Sdn Bhd | 447 | 532 |
| Dividend received from: | | |
| - GTower Sdn Bhd | 16,000 | 36,000 |
| - Macro Lynx Sdn Bhd | 1,500 | 4,500 |
| - Ecosem Sdn Bhd | - | 2,580 |
| - IGB Corporation Berhad | 51,155 | 9,644 |
| - IGB Real Estate Investment Trust | 2,169 | - |
| Rental of premises to GTower Sdn Bhd | 994 | 1,931 |

44 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

(a) Acquisition of additional interest in a subsidiary

During the financial period, the Group acquired additional 1.29% (31.1.2013: 2.54%) of the issued shares of IGB Corporation Berhad ("IGB"). The Group now holds 31.63% (31.1.2013: 30.34%) of the equity share capital of IGB. The Group derecognised non-controlling interests of RM157,197,000 (31.1.2013: RM163,077,000) and recorded an increase/decrease in equity attributable to owners of the parent of RM5,237,000 (31.1.2013: RM6,043,000). The effect of changes in the ownership interest of IGB on the equity attributable to owners of the company during the period is summarised as follows:

| | Group | |
|---|---|---|
| | 31.12.2013 RM'000 | 31.1.2013 RM'000 |
| Carrying amount of non-controlling interests acquired | 157,197 | 163,078 |
| Consideration paid to non-controlling interests | 151,960 | 169,121 |
| Gain/(loss) recognised in parent's equity | 5,237 | (6,043) |

## 45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY

(a) Adoption of FRS 10 "Consolidated Financial Statements"

On adoption of FRS 10, "Consolidated Financial Statements", the Group has consolidated its investments in IGB Corporation Berhad ("IGB") (with equity interest less than 50%) as the Group controls IGB.

The Group has de facto control of IGB even though it has less than 50% of the voting rights. This is because the Group is the single largest shareholder of IGB with a 31.63% (31.1.2013: 30.34%) equity interest. The Company together with certain Directors and family members ("the Family") collectively hold direct and indirect equity interest in IGB.

All other shareholders individually own less than 6% each of its equity shares.

There is no history of shareholders other than the Company and the Family forming a group to exercise their votes in IGB collectively.

The acquisition of IGB arose from the merger of Tan & Tan Development Berhad and IGB in 2002. As these companies have common controlling shareholders, the Group applied predecessor accounting to consolidate IGB retrospectively.

Previously, IGB was classified as an associate of the Group and accounted for using the equity method.

(b) Change in accounting policy

The Group has changed its accounting policy for hotel properties from a cost model to a revaluation model to ensure consistency of accounting policy with IGB Group. Details of the policy is set out in accounting policy C. The revaluation surplus arising from the change in accounting policy is recognised in reserves. The Group has applied this policy retrospectively.

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45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

The impact of adoption of FRS 10 and change in accounting policy is as follows:

| | As previously reported RM'000 | Adoption of FRS 10 RM'000 | Reclassification RM'000 | As restated RM'000 |
|---|---|---|---|---|
| Year ended 31 January 2013 | | | | |
| Revenue | 92,842 | 991,971 | - | 1,084,813 |
| Cost of sales | (53,668) | (372,387) | - | (426,055) |
| Gross profit | 39,174 | 619,584 | - | 658,758 |
| Other income | 8,524 | 39,075 | - | 47,599 |
| Administrative expenses | (26,153) | (249,295) | - | (275,448) |
| Other expenses | (777) | (3,737) | - | (4,514) |
| Operating profit | 20,768 | 405,627 | - | 426,395 |
| Finance income | 5,182 | 31,719 | - | 36,901 |
| Finance costs | (10,069) | (69,588) | - | (79,657) |
| Share of results of an associate | 67,485 | (57,067) | - | 10,418 |
| Profit before taxation | 83,366 | 310,691 | - | 394,057 |
| Taxation | (12,994) | (141,656) | - | (154,650) |
| Profit for the financial year from continuing operations | 70,372 | 169,035 | - | 239,407 |
| Profit for the financial year from discontinued operations | 22,556 | 522 | 6,366 | 29,444 |
| Profit for the financial year | 92,928 | 169,557 | 6,366 | 268,851 |
| Attributable to: | | | | |
| Owners of the parent | | | | |
| - continuing | 68,220 | (490) | - | 67,730 |
| - discontinued | 24,728 | 522 | 6,366 | 31,616 |
| | 92,948 | 32 | 6,366 | 99,346 |
| Non-controlling interest | (20) | 169,525 | - | 169,505 |
| Profit for the financial year | 92,928 | 169,557 | 6,366 | 268,851 |
| Basic/ Diluted earnings per share (sen): | | | | |
| Profit for the financial year | 15.37 | | | 16.43 |

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45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

| | As previously reported RM'000 | Adoption of FRS 10 RM'000 | Reclassification RM'000 | As restated RM'000 |
|---|---|---|---|---|
| Profit for the financial year | 92,928 | 169,557 | 6,366 | 268,851 |
| Other comprehensive income/(loss): | | | | |
| Items that may be subsequently reclassified to profit or loss | | | | |
| Available-for-sale financial assets | | | | |
| - net change in fair values | 11,538 | - | - | 11,538 |
| - transfer to profit or loss on disposal | (1,408) | - | - | (1,408) |
| Exchange fluctuation reserve | | | | |
| - currency translation differences | 499 | 2,858 | - | 3,357 |
| - transfer to profit or loss on disposal of subsidiaries | - | - | (6,366) | (6,366) |
| Share of other comprehensive income of associates | 815 | (815) | - | - |
| Other comprehensive income for the financial year, net of tax | 11,444 | 2,043 | (6,366) | 7,121 |
| Total comprehensive income for the financial year | 104,372 | 171,600 | - | 275,972 |
| Attributable to: | | | | |
| Owners of the parent | 104,370 | 32 | - | 104,402 |
| Non-controlling interests | 2 | 171,568 | - | 171,570 |
| Total comprehensive income for the financial year | 104,372 | 171,600 | - | 275,972 |
| Total comprehensive income attributable to equity holders: | | | | |
| - continuing operations | 79,532 | (490) | - | 79,042 |
| - discontinued operations | 24,838 | 522 | - | 25,360 |
| | 104,370 | 32 | - | 104,402 |

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45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

| As at 31.1.2013 | As previously reported RM'000 | Adoption of FRS 10 RM'000 | Change in accounting policy RM'000 | As restated RM'000 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 14,731 | 1,228,195 | 595,876 | 1,838,802 |
| Land held for property development | - | 229,873 | - | 229,873 |
| Investment properties | 315,123 | 1,965,079 | - | 2,280,202 |
| Long term prepaid lease | - | 3,703 | - | 3,703 |
| Intangible assets | 376 | 19,164 | - | 19,540 |
| Biological assets | 647 | - | - | 647 |
| Associates | 1,129,177 | (773,383) | - | 355,794 |
| Available-for-sale financial assets | 50 | - | - | 50 |
| Concession receivables | 43,161 | - | - | 43,161 |
| Deferred tax assets | - | 5,893 | - | 5,893 |
| Deposits, cash and bank balances | - | 95,000 | - | 95,000 |
| | 1,503,265 | 2,773,524 | 595,876 | 4,872,665 |
| CURRENT ASSETS | | | | |
| Property development costs | - | 225,867 | - | 225,867 |
| Inventories | 1,110 | 62,461 | - | 63,571 |
| Available-for-sale financial assets | 58,809 | - | - | 58,809 |
| Financial assets at fair value through profit or loss | 12,920 | 504 | - | 13,424 |
| Concession receivables | 9,595 | - | - | 9,595 |
| Amounts owing from associates | 6,945 | 59,080 | - | 66,025 |
| Trade and other receivables | 18,772 | 233,397 | - | 252,169 |
| Tax recoverable | 1,727 | 3,522 | - | 5,249 |
| Cash held under Housing Development Accounts | - | 5,259 | - | 5,259 |
| Deposits, cash and bank balances | 57,598 | 2,022,372 | - | 2,079,970 |
| | 167,476 | 2,612,462 | - | 2,779,938 |
| Assets held-for-sale | 71,331 | - | - | 71,331 |
| | 238,807 | 2,612,462 | - | 2,851,269 |
| TOTAL ASSETS | 1,742,072 | 5,385,986 | 595,876 | 7,723,934 |

GOLDIS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

| | As previously reported RM'000 | Adoption of FRS 10 RM'000 | Change in accounting policy RM'000 | As restated RM'000 |
|---|---|---|---|---|
| As at 31.1.2013 | | | | |
| **EQUITY AND LIABILITIES** | | | | |
| EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT | | | | |
| Share capital | 610,494 | - | - | 610,494 |
| Share premium | 103,221 | - | - | 103,221 |
| Treasury shares | (48,827) | - | - | (48,827) |
| Other reserves | 15,221 | 46,946 | 124,719 | 186,886 |
| Retained earnings | 740,372 | (45,643) | - | 694,729 |
| | 1,420,481 | 1,303 | 124,719 | 1,546,503 |
| Non-controlling interests | 21,508 | 3,202,639 | 286,313 | 3,510,460 |
| TOTAL EQUITY | 1,441,989 | 3,203,942 | 411,032 | 5,056,963 |
| LIABILITIES | | | | |
| NON-CURRENT LIABILITIES | | | | |
| Trade and other payables | 9,545 | 55,178 | - | 64,723 |
| Deferred tax liabilities | 10,212 | (3,995) | 184,845 | 191,062 |
| Hire-purchase and finance lease payables | 144 | - | - | 144 |
| Interest bearing bank borrowings | 93,199 | 1,433,382 | - | 1,526,581 |
| | 113,100 | 1,484,565 | 184,845 | 1,782,510 |

GOLDIS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

| | As previously reported RM'000 | Adoption of FRS 10 RM'000 | Change in accounting policy RM'000 | As restated RM'000 |
|---|---|---|---|---|
| As at 31.1.2013 | | | | |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | 31,017 | 352,531 | - | 383,548 |
| Amount owing to associates | - | 22,487 | - | 22,487 |
| Current tax liabilities | 67 | 59,148 | - | 59,215 |
| Hire-purchase and finance lease payables | 70 | - | - | 70 |
| Interest bearing bank borrowings | 99,539 | 263,312 | - | 362,851 |
| | 130,693 | 697,478 | - | 828,171 |
| Liabilities directly associated with assets held-for-sale | 56,290 | - | - | 56,290 |
| | 186,983 | 697,478 | - | 884,461 |
| TOTAL LIABILITIES | 300,083 | 2,182,043 | 184,845 | 2,666,971 |
| TOTAL EQUITY AND LIABILITIES | 1,742,072 | 5,385,985 | 595,877 | 7,723,934 |
| As at 1.2.2012 | | | | |
| Property, plant and equipment | 382,331 | 538,712 | 595,309 | 1,516,352 |
| Other reserves | 10,195 | 71,075 | 115,438 | 196,708 |
| Deferred tax liabilities | 5,872 | (18,751) | 180,109 | 167,230 |

GOLDIS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

45 ADOPTION OF FRS 10 "CONSOLIDATED FINANCIAL STATEMENTS" AND CHANGE IN ACCOUNTING POLICY (CONTINUED)

| | As previously reported RM'000 | Adoption of FRS 10 RM'000 | As restated RM'000 |
|---|---|---|---|
| Consolidated statement of cash flow for the financial year ended 31.1.2013 | | | |
| OPERATING ACTIVITIES | 48,769 | 192,294 | 241,063 |
| INVESTING ACTIVITIES | (93,886) | 463,122 | 369,236 |
| FINANCING ACTIVITIES | (56,944) | 642,890 | 585,946 |
| Net (decrease)/increase in cash and cash equivalents during the financial year | (102,061) | 1,298,306 | 1,196,245 |
| Currency translation differences | 253 | (2,337) | (2,084) |
| Cash and cash equivalents at beginning of the financial year | 158,116 | 705,221 | 863,337 |
| Cash and cash equivalents at end of the financial year | 56,308 | 2,001,190 | 2,057,498 |

GOLDIS BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2013 (CONTINUED)

46 DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS

The following analysis of realised and unrealised retained profits at the legal entity level is prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

| | Group | | Company | |
|---|---|---|---|---|
| | | Restated | | |
| | 31.12.2013 | 31.1.2013 | 31.12.2013 | 31.1.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Total retained profits of the Company and its subsidiaries: | | | | |
| - Realised | 1,236,886 | 1,032,468 | 357,835 | 288,250 |
| - Unrealised | (287,649) | (205,153) | 1,658 | 789 |
| | 949,237 | 827,315 | 359,493 | 289,039 |
| Total share of retained profits from associates | | | | |
| - Realised | 197,242 | 230,325 | - | - |
| - Unrealised | 4,277 | 3,339 | - | - |
| | 201,519 | 233,664 | - | - |
| Add: Consolidation adjustments | (268,910) | (366,250) | - | - |
| Total retained profits | 881,846 | 694,729 | 359,493 | 289,039 |

GOLDIS BERHAD
(Incorporated in Malaysia)

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

We, Tan Lei Cheng and Tan Boon Lee, being two of the Directors of Goldis Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 10 to 171 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of their financial performance and cash flows for the period then ended.

The information set out in Note 46 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed in accordance with a resolution of the Board of Directors dated 23 April 2014.

TAN LEI CHENG
DIRECTOR

TAN BOON LEE
DIRECTOR

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

I, Leong Kok Chi, the officer primarily responsible for the financial management of Goldis Berhad, do solemnly and sincerely declare that the financial statements set out on pages 10 to 171 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

LEONG KOK CHI

Subscribed and solemnly declared by the abovenamed Leong Kok Chi, at Kuala Lumpur, on 23 April 2014, before me.

PESURUHJAYA SUMPAH
No. W 521
MOHAN A.S. MANIAM
MALAYSIA

COMMISSIONER FOR OATHS
Kuala Lumpur

No. 50, Jalan Hang Lekiu
50100 Kuala Lumpur.

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# INDEPENDENT AUDITORS' REPORT
# TO THE MEMBERS OF GOLDIS BERHAD
(Incorporated in Malaysia)
(Company No: 515802 U)

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Goldis Berhad on pages 10 to 170, which comprise the statements of financial position as at 31 December 2013 of the Group and of the Company, and the statements of income, comprehensive income, changes in equity and cash flows of the Group and of the Company for the period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 45.

### Directors' Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

*PricewaterhouseCoopers (AF 1146), Chartered Accountants,*
*Level 10, 1 Sentral, Jalan Travers, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia*
*T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my*

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# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDIS BERHAD (CONTINUED)

(Incorporated in Malaysia)
(Company No: 515802 U)

## REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of their financial performance and cash flows for the period then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 20 to the financial statements.

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

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

## OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 46 on page 171 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GOLDIS BERHAD (CONTINUED)
(Incorporated in Malaysia)
(Company No: 515802 U)

OTHER MATTER

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

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

SHIRLEY GOH
(No. 1778/08/14 (J))
Chartered Accountant

Kuala Lumpur
23 April 2014

CERTIFIED TRUE COPY

Director / Secretary
TAN LEI CHENG

# GOLDIS BERHAD

## Interim Financial Report

For the financial period ended 30 September 2014

## CONTENTS

## UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE 9-MONTH FPE 30 SEPTEMBER 2014 *(Cont'd)*

## GOLDIS BERHAD

**Condensed Consolidated Income Statements**

For the financial period ended 30 September 2014

*(The figures have not been audited)*

| | Current Year Quarter 30.9.2014 RM'000 | Preceding Year Quarter RM'000 | Current Year To-Date 30.9.2014 RM'000 | Preceding Year To-Date RM'000 |
|---|---|---|---|---|
| Revenue | 323,674 | N/A | 967,724 | N/A |
| Cost of sales | (146,598) | | (424,179) | |
| Gross profit | 177,076 | | 543,545 | |
| Other income | 34,525 | | 49,305 | |
| Administrative expenses | (57,789) | N/A | (183,362) | N/A |
| Other expenses | (48,020) | | (52,049) | |
| Operating profit | 105,792 | N/A | 357,439 | N/A |
| Finance income | 8,119 | | 30,891 | |
| Finance costs | (23,160) | | (68,702) | |
| Share of results of associates | 5,174 | | 16,889 | |
| Profit before taxation | 95,925 | N/A | 336,517 | N/A |
| Taxation | (24,547) | | (79,163) | |
| **Profit for the financial period** | 71,378 | N/A | 257,354 | N/A |
| **Attributable to:** | | | | |
| Owners of the parent | 12,949 | | 56,833 | |
| Non-controlling interest | 58,429 | | 200,521 | |
| **Profit for the financial period** | 71,378 | N/A | 257,354 | N/A |
| **Earnings per share attributable to equity holders of the Company** | | | | |
| Basic/Diluted (sen) | 2.13 | N/A | 9.44 | N/A |

**Note:**

1. There is no comparative figures due to the change of financial year end from 31 January to 31 December.

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the 11 months financial period ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE 9-MONTH FPE 30 SEPTEMBER 2014** ***(Cont'd)***

## GOLDIS BERHAD

**Condensed Consolidated Statements of Comprehensive Income**

For the financial period ended 30 September 2014

*(The figures have not been audited)*

| | Current Year Quarter 30.9.2014 RM'000 | Preceding Year Quarter RM'000 | Current Year To-Date 30.9.2014 RM'000 | Preceding Year To-Date RM'000 |
|---|---|---|---|---|
| **Profit for the financial period** | 71,378 | N/A | 257,354 | N/A |
| **Other comprehensive income/(loss):** | | | | |
| Currency translation differences | | | | |
| - equity | (402) | | (2,209) | |
| - non-controlling interests | (4,398) | | (3,293) | |
| Available-for-sale financial assets | | | | |
| - net change in fair value | 4,122 | | 5,360 | |
| **Other comprehensive income for the financial period, net of tax** | (678) | | (142) | |
| **Total comprehensive income for the financial period** | 70,700 | N/A | 257,212 | N/A |
| **Attributable to:** | | | | |
| Owners of the parent | 15,564 | | 59,984 | |
| Non-controlling interests | 55,136 | | 197,228 | |
| **Total comprehensive income for the financial period** | 70,700 | N/A | 257,212 | N/A |

**Note:**

1. There is no comparative figures due to the change of financial year end from 31 January to 31 December.

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the 11 months financial period ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE 9-MONTH FPE 30 SEPTEMBER 2014** ***(Cont'd)***

## GOLDIS BERHAD

**Condensed Consolidated Statements of Financial Position**

As at 30 September 2014

*(The figures have not been audited)*

| | 30.9.2014 RM'000 | 31.12.2013 RM'000 |
|---|---|---|
| **Assets** | | |
| **Non-Current Assets** | | |
| Property, plant and equipment | 2,381,373 | 2,356,844 |
| Land held for property development | 239,932 | 220,363 |
| Investment properties | 2,591,021 | 2,477,331 |
| Long term prepaid lease | 3,504 | 3,697 |
| Intangible assets | 19,621 | 19,720 |
| Biological assets | 332 | 460 |
| Associates & Joint ventures | 463,128 | 390,598 |
| Available-for-sale financial assets | 9,489 | 9,857 |
| Concession receivables | 63,719 | 57,703 |
| Deferred tax assets | 7,602 | 1,649 |
| Deposits, cash and bank balances | 477,286 | 95,000 |
| | 6,257,007 | 5,633,222 |
| **Current Assets** | | |
| Property development costs | 293,131 | 297,916 |
| Inventories | 81,015 | 83,796 |
| Available-for-sale financial assets | 55,274 | 49,914 |
| Financial assets at fair value through profit or loss | 11,001 | 16,927 |
| Concession receivables | 6,100 | 6,198 |
| Amount owing from associates | 432,203 | 86,758 |
| Amount owing from related company | 29 | 22 |
| Trade and other receivables | 282,251 | 231,413 |
| Tax recoverable | 7,644 | 5,048 |
| Cash held in Housing Development Accounts | 38,264 | 32,984 |
| Deposits, cash and bank balances | 736,694 | 1,057,170 |
| | 1,943,606 | 1,868,146 |
| **Total Assets** | 8,200,613 | 7,501,368 |
| **Equity and Liabilities** | | |
| **Equity Attributable To Owners Of The Parent** | | |
| Share capital | 610,494 | 610,494 |
| Share premium | 32,340 | 67,765 |
| Treasury shares | (5,722) | (41,147) |
| Other reserves | 219,104 | 211,111 |
| Retained earnings | 936,977 | 881,846 |
| | 1,793,193 | 1,730,069 |
| Non-controlling interests | 3,169,090 | 3,102,460 |
| **Total Equity** | 4,962,283 | 4,832,529 |
| **Liabilities** | | |
| **Non-Current Liabilities** | | |
| Trade and other payables | 65,827 | 73,405 |
| Deferred tax liabilities | 277,304 | 276,572 |
| Hire-purchase and finance lease payables | 163 | 194 |
| Interest bearing bank borrowings | 1,665,927 | 1,484,909 |
| | 2,009,221 | 1,835,080 |
| **Current Liabilities** | | |
| Trade and other payables | 445,185 | 496,487 |
| Amount owing to associates | 2,697 | 4,107 |
| Current tax liabilities | 130,287 | 69,802 |
| Hire-purchase and finance lease payables | 50 | 75 |
| Interest bearing bank borrowings | 650,890 | 263,288 |
| | 1,229,109 | 833,759 |
| **Total Liabilities** | 3,238,330 | 2,668,839 |
| **Total Equity and Liabilities** | 8,200,613 | 7,501,368 |
| **Net assets per share attributable to ordinary equity holders of the Company** | 2.95 | 2.93 |

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the 11 months financial period ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

## UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE 9-MONTH FPE 30 SEPTEMBER 2014 *(Cont'd)*

### GOLDIS BERHAD
**Condensed Consolidated Statements of Changes in Equity**
For the financial period ended 30 September 2014
*(The figures have not been audited)*

| | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share Capital RM'000 | Share Premium RM'000 | Treasury Shares RM'000 | Other Reserves RM'000 | Retained Earnings RM'000 | Total RM'000 | Non-Controlling Interests RM'000 | Total Equity RM'000 |
| At 1 January 2014 | 610,494 | 67,765 | (41,147) | 211,111 | 881,846 | 1,730,069 | 3,102,460 | 4,832,529 |
| Comprehensive income | | | | | | | | |
| Profit for the financial period | - | - | - | - | 56,833 | 56,833 | 200,521 | 257,354 |
| Other comprehensive income | - | - | - | 1,718 | 1,433 | 3,151 | (3,293) | (142) |
| Total comprehensive income for the financial period | - | - | - | 1,718 | 58,266 | 59,984 | 197,228 | 257,212 |
| Transactions with owners | | | | | | | | |
| Distribution of treasury shares as dividend | - | (35,425) | 35,425 | - | - | - | - | - |
| Dividend paid by subsidiaries to non-controlling interests | - | - | - | - | - | - | (87,779) | (87,779) |
| Changes in ownership interests in subsidiaries that do not result in a loss of control | - | - | - | 6,275 | (3,135) | 3,140 | (42,819) | (39,679) |
| Total transactions with owners | - | (35,425) | 35,425 | 6,275 | (3,135) | 3,140 | (130,598) | (127,458) |
| At 30 September 2014 | 610,494 | 32,340 | (5,722) | 219,104 | 936,977 | 1,793,193 | 3,169,090 | 4,962,283 |

Note:

1. There is no comparative figures due to the change of financial year end from 31 January to 31 December.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the 11 months financial period ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

## GOLDIS BERHAD

**Condensed Consolidated Statement of Cash Flows**

For the financial period ended 30 September 2014

*(The figures have not been audited)*

| | Current Year 30.9.2014 RM'000 | Preceding Year RM'000 |
|---|---|---|
| **Operating Activities** | | |
| Cash receipts from customers | 962,811 | N/A |
| Cash paid to suppliers and employees | (430,440) | N/A |
| Cash generated from operations | 532,371 | N/A |
| Interests paid | (75,227) | |
| Tax refunded | 12,739 | |
| Taxation paid | (37,048) | |
| **Net cash flow generated from operating activities** | 432,835 | N/A |
| **Investing Activities** | | |
| Investment in assoicate and joint venture | (56,962) | N/A |
| Purchases of biological assets | (37) | |
| Purchases of property, plant and equipments | (266,048) | |
| Additional investment in financial assets at fair value through profit or loss | (4,291) | |
| Proceed from disposal of financial assets at fair value through profit or loss | 11,249 | |
| Advances to associates & joint venture | (342,617) | |
| Cash arising from dilution of equity of a subsidiary | 40,597 | |
| Development expenses paid | (95) | |
| Interest received | 30,772 | |
| **Net cash flow used in investing activities** | (587,432) | N/A |
| **Financing Activities** | | |
| Additional investment in a subsidiary from non-controlling interest | (83,315) | N/A |
| Proceeds from bank borrowings, net of repayments | 575,206 | |
| Payments of hire-purchase and finance lease liabilities | (56) | |
| Dividend paid by a subsidiary to non-control interest | (148,116) | |
| Deposit pledged with license bank | (477,286) | |
| **Net cash flow generated from financing activities** | (133,567) | N/A |
| Net decrease in cash and cash equivalents during the financial period | (288,164) | N/A |
| Currency translation differences | 404 | |
| Cash and cash equivalents at beginning of the financial period | 1,061,428 | |
| **Cash and cash equivalents at end of the financial period** | 773,668 | N/A |

**Note:**

1. There is no comparative figures due to the change of financial year end from 31 January to 31 December.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the 11 months financial period ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

## GOLDIS BERHAD
Notes to the Interim Financial Report

**A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

**A1. Accounting Policies and Methods of Computation**

The interim financial report are unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The financial information for the nine months period ended 30 Septmeber 2014 have been reveiwed by the company's auditor in accordance with the International Standard on Review Engagements 2410 - Review of Interim Financial Information performed by Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2013. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the period ended 31 December 2013, except for the followings:

- Amendment to FRS 132, 'Financial Instruments: Presentation'
- Amendments to FRS 10, 'Consolidated Financial Statements'
- Amendments to FRS 12, 'Disclosure of Interests in Other Entitles: Transition Guidance'
- Amendments to FRS 127, 'Separate financial statements'
- IC Interpretation 21, 'Levies'

The adoption of above Amendments to FRS and IC Interpretations has no significant impact to the Group's interim financial reports of the current quarter or the comparative consolidated financial statements of the prior financial period.

**A2. Change of Financial Year End**

On 27 December, 2013, the Board of Directors of the Group announced an immediate change of its financial year end from 31 January to 31 December.

Due to the change of financial year end, there are no comparative figures given for preceding year corresponding quarter and year-to-date in the current report.

**A3. Explanatory Comments about the Seasonality or Cyclicality of Interim Operations**

The Group's operations were not materially affected by seasonal or cyclical factors.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than as disclosed elsewhere in the notes.

**A5. Material Changes in Estimates**

There were no changes in estimates that have had material effect in the current financial year result.

**A6. Capital Management, Issuances, Repurchases, and Repayment of Debt and Equity Securities**

Details of the shares repurchased were as follows:-

| | No. of shares | Cost RM |
|---|---|---|
| At 1 January 2014 | 20,553,953 | 41,146,601 |
| Distributed as dividend | | |
| March 2014 | (17,695,933) | (35,425,180) |
| **As at 30 September 2014/reporting date** | **2,858,020** | **5,721,421** |

On 27 March 2014, Goldis had distributed three (3) treasury shares for every one hundred (100) existing ordinary shares of RM1.00 each held ("share dividend"). A total of 17,695,933 treasury shares have been distributed to the entitled shareholders as share dividend.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy backs and share cancellations for the current financial period.

**A7. Dividends Paid**

Other than the share dividend distributed as disclosed in note A6, there was no payment of dividend during the financial period ended 30 September 2014.

Notes to the Interim Financial Report

**A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

**A8. Operating Segment Reporting**

The Group is organised into five main business segments:-

| | Property investment & management | Property development | Hotel | Construction | Investment holding | Others | Group |
|---|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| **3 months ended 30 September 2014** | | | | | | | |
| Total segment revenue | 170,665 | 43,420 | 94,972 | 100,542 | 2,545 | 47,343 | 459,487 |
| Inter-segment revenue | (14,163) | - | (2,772) | (100,283) | (782) | (17,813) | (135,813) |
| Revenue from external customer | 156,502 | 43,420 | 92,200 | 259 | 1,763 | 29,530 | 323,674 |
| Segment results | 90,443 | 34,281 | (14,896) | 2,390 | 399 | 1,311 | 113,928 |
| Unallocated expenses | | | | | | | (8,136) |
| Profit from operations | | | | | | | 105,792 |
| Finance income | | | | | | | 8,119 |
| Finance costs | | | | | | | (23,160) |
| Share of results of associates | | | | | | | 5,174 |
| Profit before taxation | | | | | | | 95,925 |
| Taxation | | | | | | | (24,547) |
| Profit for the period | | | | | | | 71,378 |
| **9 months ended 30 September 2014** | | | | | | | |
| Total segment revenue | 520,560 | 140,739 | 285,156 | 300,181 | 16,228 | 114,453 | 1,377,317 |
| Inter-segment revenue | (41,845) | - | (6,425) | (296,939) | (12,727) | (51,657) | (409,593) |
| Revenue from external customers | 478,715 | 140,739 | 278,731 | 3,242 | 3,501 | 62,796 | 967,724 |
| Segment results | 285,050 | 72,914 | 23,471 | 4,133 | (1,229) | (3,298) | 381,041 |
| Unallocated expenses | | | | | | | (23,602) |
| Profit from operations | | | | | | | 357,439 |
| Finance income | | | | | | | 30,891 |
| Finance costs | | | | | | | (68,702) |
| Share of results of associates | | | | | | | 16,889 |
| Profit before taxation | | | | | | | 336,517 |
| Taxation | | | | | | | (79,163) |
| Profit for the period | | | | | | | 257,354 |

## GOLDIS BERHAD

Notes to the Interim Financial Report

**A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

**A9. Conditional take-over offer to acquire all remaining ordinary shares of RM0.50 in IGB Corporation Berhad**

On 18 July 2014, Goldis Berhad ("Goldis") had announced the proposal to undertake a conditional take-over offer (the "Offer") to acquire all the remaining ordinary shares of RM0.50 each in IGB Corporation Berhad which are not already held by Goldis (excluding treasury shares) ("Offer Shares") at a cash offer price of RM2.88 per Offer Share.

As at 18 August 2014, the shareholding of the Person Acting in Concert ("PACs") with Goldis (in accordance with Section 216 of the CMSA) with repect to the Offer, had given their irrevocable undertaking to accept the Proposed Offer in respect of all their respective direct shareholdings in IGB Corp, amounting to approximately 229.31 million IGB Corp Shares, or 17.18% of the issued and paid-up share capital of IGB Corp (excluding treasury shares), as stated in Group the announcement dated 19 August 2014.

Taking into account the direct shareholdings of Goldis of approximately 31.11% as at 18 August 2014 and the undertakings of the PACs to accept the Offer in respect of all their respective direct shareholdings in IGB Corp as mentioned above, the collective shareholdings of Goldis and the PACs who have provided the aforementioned undertakings was approximately 48.29%.

On 20 October 2014, the company announced that the Offer has become unconditional on 17 October 2014 upon receipt of valid acceptances from the holders of the Offer Shares for a total of 269,028,887 Shares, representing approximately 20.15% of the issued and paid-up share capital of IGB Corp, resulting in Goldis holding in aggregate, together with such shares that are already held or entitled to be acquired or held by Goldis, 51.26% or 684,270,202 of the voting shares of IGB Corp Shares which was still subject to the approval of Goldis shareholders at the Extraordinary General Meeting of Goldis to be held on 21 October 2014.

On 21 October 2014, the company announced that the approval of shareholders of Goldis for the Offer has been received at the Extraordinary General Meeting and accordingly all the conditions in relation to the Offer have been met and the Offer has become wholly unconditional as of 21 October 2014.

Subsequent to the end of the interim period, on the Final Offer Closing Date, Goldis holds in aggregate, together with such Shares that are already held or entitled to be acquired or held by Goldis 978,790,103 IGB Corp Shares, representing approximately 73.32% of the issued and paid-up share capital of IGB Corp (excluding treasury shares).

**A10. Effects of Changes in the Composition of the Group**

On the 10 July 2014 the Group announced to Bursa Malaysia that further to the announcement dated 1 November 2013 pertaining to the members' voluntary winding up of Ecosem Sdn Bhd (In Members' Voluntary Winding Up) ("Ecosem"), a wholly-owned subsidiary of Goldis Berhad ("Goldis"), the Board of Directors of Goldis wishes to announce that the Liquidators of Ecosem had convened a Final Meeting on 10 July 2014 to conclude the Members' Voluntary Winding Up of Ecosem.

The Return by Liquidator Relating To Final Meeting of Ecosem was lodged on 10 July 2014 with the Companies Commission of Malaysia and the Official Receiver.

On 12 August 2014, the Group via its subsidiary, IGB Corporation Berhad ("IGB") announced to Bursa Malaysia that Pacific Land Sdn Bhd, a wholly owned subsidiary of IGB, had acquired the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in a company incorporated in Malaysia known as Majestic Path Sdn Bhd for cash consideration of RM2.00.

On 19 September 2014, the Group, announced to Bursa Malaysia that, Goldis had subscribed for 8 ordinary shares of RM1.00 each, representing 80% equity interest in the capital of AFMS Solutions Sdn Bhd (formerly known as Clear Equation Sdn Bhd ("AFMS") for cash consideration of RM8.00, resulting in AFMS becoming a subsidiary of Goldis.

On 29 September 2014, the Group announced to Bursa Malaysia that, Goldis had acquired the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in Perfect Encore Sdn Bhd, for cash consideration of RM2.00.

On 29 September 2014, the Group announced to Bursa Malaysia that, Goldis had acquired the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in Genius Momentum Sdn Bhd, for cash consideration of RM2.00.

On 27 October 2014, the Group announced to Bursa Malaysia that, Goldis had acquired the entire issued and paid-up share capital of 2 ordinary shares of RM1.00 each in Silver Sanctuary Sdn Bhd, for cash consideration of RM2.00.

## GOLDIS BERHAD

Notes to the Interim Financial Report

**A. Compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting and Bursa Listing Requirements**

**A11. Capital Commitments**

Authorised capital commitments not recognised in the interim financial statements as at 30 September 2014 are as follows:

| | RM'000 |
|---|---|
| Approved and contracted for: | |
| - Investment properties | 16,186 |
| - Property, plant and equipment | 276,805 |
| | 292,991 |
| Approved but not contracted for: | |
| - Investment properties | 1,150,988 |
| - Property, plant and equipment | 7,062 |
| | 1,158,050 |

**A12. Fair Value of Financial Instruments**

The Group uses following hierarchy for determing the fair value of all financial instruments carried at fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - Valuation inputs (other than level 1 input) that are observable for the asset or liability, either directly or indirectly
Level 3 - Valuation inputs that are not based on observable market data

The following table presents the Group's financial assets that are measured at fair value:

| | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 |
|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 11,001 | - | - | 11,001 |
| Available-for-sale financial assets | 55,274 | 9,489 | - | 64,763 |
| | 66,275 | 9,489 | - | 75,764 |

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the last financial period ended 31 December 2013.

There have been no transfers between the levels of the fair value hierarchy during the nine months ended 30 September 2014.

**GOLDIS BERHAD**
Notes to the Interim Financial Report

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Review of Performance**

The Group recorded a total revenue of RM323.7 million and segmental results of RM113.9 million for the 3 months period ended 30 September 2014.

Subsequent to the adoption of FRS 10, the Group's major contribution to revenue and profit is derived from property investment and management of property such as malls, offices and property development, construction and hotels after the consolidation of IGB Corporation Berhad ("IGB") performance.

**Property Investment and Management**
The property investment and management segment recorded a revenue of RM156.5 million which decreased by 3.2% compared to the preceeding quarter of RM161.6 million. The segment result of RM90.4 million, represented a decrease of 7.9% compared to the preceeding quarter of RM98.2 million.

**Property Development**
The revenue from Property Development segment was RM43.4 million which decreased by approximately 12.3% compared to the preceeding quarter of RM49.5 million. However the segment result of RM34.3 million was higher compared to the preceeding quarter of RM20.6 million due to a partial reversal of provision for impairment loss on land held for property development in a subsidiary amounting to RM21.0 million.

**Hotel**
The hotel segment revenue was RM92.2 million which increased by approximately 1.7% compared to the preceeding quarter of RM90.7 million. The segment had recorded a significant loss of RM14.9 million during the quarter mainly due to the write off of the hotel properties arising from the Group's decision to redevelop Pangkor Island Beach Resort Hotel which is more than 30 years old. As a result, the hotel property amounting to RM43.8 million was write off during the current quarter.

In addition a reversal of an impairment loss on a hotel property by a subsidiary amounting to RM 7.4million was made during the current quarter due to improved operating conditions.

**B2. Comparison with Preceding Quarter's Results**
The Group's recorded a revenue of RM323.7 million compared to the preceeding quarter of RM320.0 million which has increased of 1.2%. The increase in revenue was mainly contributed by higher income achieved in the other segments of the Group.

The Group recorded PBT of RM95.9 million which was approximately 20.2% lower compared to the PBT of RM119.8 million reported in the preceeding quarter due to increase in cost of sales and other expenses in the current quarter.

**B3. Current Year Prospect**
The Board expect the overall performance of the Group to remain positive.

**Property Investment and Management**
The property investment and management segment will be more challenging in the short term with an increase in the supply of new office space, electricity tariff hikes and the increase in assessment in Kuala Lumpur.

**Property Development**
The Group's property development activities are expected to continue to be satisfactory with the continuing developments being undertaken. For 2014, about 97% of the available 474 units of service apartments at G Residence have been sold with total sales value of about RM369 million. Our Group's new service apartment development, known as Three28 Tun Razak, which was launched in October 2013 has achieved sales of over 90% with total sales value of RM152.7 million. Our Group will also soon be launching 41 units of strata bungalows called Park Manor.

**Hotel**
Although the hotel operations industry registered muted ARR growth, our Group expects to generate stable performance within our hotel segment going forward.

**B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee**
The Group did not issue any profit forecast or profit guarantee in the current quarter or in the prior financial period.

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B5. Statement by Directors**

The Group did not disclose or announce any profit forecast or projection in any public document in the current quarter or prior financial period.

**B6. Taxation**

| | Current Quarter | Current YTD |
|---|---|---|
| Current tax: | RM'000 | RM'000 |
| - Malaysian tax | 28,633 | 75,570 |
| - Foreign tax | 865 | 3,055 |
| | 29,498 | 78,625 |
| Deferred Tax | (4,951) | 538 |
| | 24,547 | 79,163 |

The effective tax rate of the Group for the current quarter was higher than the statutory tax rate as certain expenses incurred durint the current quarter were not allowable for tax purposes.

The effective income tax rate of the Group for the current year to date is lower than the statutory tax rate mainly due profit attributable to non-controlling interest of a subsidiary which was not subjected to tax.

**B7. Status of Corporate Proposals**

On 13 October 2014, the Board of Directors of Goldis had announced that Goldis proposes to undertake the following:

(i) proposed renounceable rights issue of up to 460.0 million new redeemable convertible cumulative preference shares of RM0.01 each in Goldis ("RCPS"), convertible into ordinary shares of RM1.00 each in Goldis ("Proposed Rights Issue");

(ii) proposed increase in the authorised share capital of Goldis from RM1,000,000,000 comprising 1,000,000,000 Goldis Shares to RM1,510,000,000 comprising 1,500,000,000 Goldis Shares and 1,000,000,000 RCPS ("Proposed Increase in Authorised Share Capital"); and

(iii) proposed amendments to the Memorandum and Articles of Association of Goldis in respect of the issuance of RCPS pursuant to the Proposed Rights Issue and Proposed Increase in Authorised Share Capital ("Proposed Amendments").

The entire proceeds from the Proposed Rights Issue are proposed to be utilised to partially refinance borrowings amounting to approximately RM1.6 billion obtained in connection with the Offer, which had closed on 6 November 2014 based on a final acceptance level of 40.69%. No proceeds will be raised upon conversion of the RCPS into New Shares as the conversion will be satisfied by the RCPS holders surrendering such number of RCPS based on the Conversion Price to receive the New Shares.

On 10 November 2014, Goldis announced that a listing application has been submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") for the listing of and quotation for RCPS and the new Goldis Shares to be issued pursuant to the conversion of the RCPSon the Main Market of Bursa Securities.

Bursa Malaysia has granted its conditional approval for the listing of and quotaion for RCPS and new Goldis Shares to be issued pursuant to the conversion of the RCPS on the Main Market of Bursa Securities on 25 November 2014.

**B8. Details of Group Borrowings and Debt Securities**

The Groups' borrowings and debts securities as at 30 September 2014 are as follows:

| | Secured | Unsecured | Total |
|---|---|---|---|
| **Current** | RM'000 | RM'000 | RM'000 |
| Revolving credits | 534,580 | 115,008 | 649,588 |
| Term loans | 1,302 | - | 1,302 |
| | 535,882 | 115,008 | 650,890 |
| **Non-current** | | | |
| Term loans | 1,665,927 | - | 1,665,927 |
| **Total** | 2,201,809 | 115,008 | 2,316,817 |

The currency exposure profile of bank borrowings is as follows:

| | Local currency (in '000) | RM equivalent (in '000) |
|---|---|---|
| Ringgit Malaysia | | 1,901,223 |
| British Pound Sterling | 62,500 | 338,494 |
| Australian Dollar | 27,000 | 77,100 |
| | | 2,316,817 |

## UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE 9-MONTH FPE 30 SEPTEMBER 2014 *(Cont'd)*

**GOLDIS BERHAD**
Notes to the Interim Financial Report

**B. Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B9. Changes in Material Litigations**
As at the reporting date, there were no pending material litigations since the last financial period ended 31 December 2013 and up to the reporting date.

**B10. Proposed Dividends**
The Directors have not proposed any dividend for the current financial period under review.

**B11. Earnings Per Share**
The basic earnings per share of the Group is calculated by dividing the net profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

| | Current Quarter | Current YTD |
|---|---|---|
| Net profit attributable to ordinary equity holders of the Company (RM'000) | 12,949 | 56,833 |
| Weighted average no. of ordinary shares in issue ('000) | 607,636 | 602,126 |
| Basic earnings per share (sen) | 2.13 | 9.44 |

Diluted earning per shares equal to basic earnings per share as there are no potential dilutive shares in issue.

**B12. Notes to Statements of Comprehensive income**

| | | Current Quarter RM'000 | Current YTD RM'000 |
|---|---|---|---|
| (a) | Interest income | 8,119 | 30,891 |
| (b) | Other income including investment income | 34,525 | 49,305 |
| (c) | Interest expenses | 23,160 | 68,702 |
| (d) | Depreciation and amortisation | 35,405 | 108,743 |
| (e) | Allowance for and write off of assets | 43,775 | 43,775 |
| (f) | Gain/(loss) on disposal of quoted/unquoted investment or properties | 544 | 828 |
| (g) | Reversal of impairment on hotel properties | 7,425 | 7,425 |
| (h) | Reversal of impairment on land held for property development | 21,036 | 21,036 |
| (i) | Foreign exchange gain/(loss) | (2,996) | (939) |

**B13. Realised and Unrealised Retained Earnings**

| | As at 30.9.2014 RM'000 | As at 31.12.2013 RM'000 |
|---|---|---|
| Total Retained Earnings | | |
| - Realised | 1,343,731 | 1,236,886 |
| - Unrealised | (287,331) | (287,649) |
| | 1,056,400 | 949,237 |
| Total Share of Retained Profits from Associate | | |
| - Realised | 215,744 | 197,242 |
| - Unrealised | 201 | 4,277 |
| | 1,272,345 | 1,150,756 |
| Less: Consolidation Adjustments | (335,368) | (268,910) |
| Total Retained Earnings | 936,977 | 881,846 |

**B14. Audit Report Qualification and Status of Matters Raised**
The audit report of the Group's annual financial statements for the period ended 31 December 2013 did not contain any qualification.

## DIRECTORS' REPORT

**GOLDIS**
**BERHAD** (515802-U)

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**T** +603 2168 1888 • **F** +603 2163 7020 • **W** goldis.com

**Registered Office**
Suite 28-03, Level 28, GTower
199 Jalan Tun Razak
50400 Kuala Lumpur

12 JAN 2015

To: **The Shareholders of Goldis Berhad**

Dear Sir/Madam,

On behalf of the Board of Directors of Goldis Berhad ("**Goldis**") ("**Board**"), I report after due enquiry that during the period from 31 December 2013 (being the date to which the last audited financial statements of Goldis and its subsidiaries ("**Group**") have been made up) to the date hereof (being a date not earlier than 14 days before the issue date of this Abridged Prospectus), that:

(i) the business of the Group has, in the opinion of the Board, been satisfactorily maintained;

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

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

(iv) there are no contingent liabilities by reason of any guarantee or indemnity given by the Group;

(v) since the last audited financial statements of the Group, there have been no default or any known event that could give rise to a default situation, on payments of either interest and/or principal sums for any borrowing of the Group; and

(vi) since the last audited financial statements of the Group, there have been no material change in the published reserves or any unusual factor affecting the profits of the Group.

Yours faithfully,
For and on behalf of the Board of
**GOLDIS BERHAD**

**TAN LEI CHENG**
**Executive Chairman and Chief Executive Officer**

*We invest in Entrepreneurs who grow our Companies*

## FURTHER INFORMATION

### 1. SHARE CAPITAL

Save for the New Shares to be issued pursuant to the conversion of the RCPS, no securities shall be allotted or issued on the basis of this Abridged Prospectus later than 12 months after the date of issuance of this Abridged Prospectus.

Save for our Entitled Shareholders who will be provisionally allotted the RCPS pursuant to the Rights Issue of RCPS, no person has been or would be entitled to be granted an option to subscribe for any of our securities as at the LPD.

### 2. ARTICLES OF ASSOCIATION

The provisions in our Company's Articles of Association in relation to the remuneration of our Directors are as follows:

Article 91:

*"The Directors shall be paid by way of remuneration for their services such fixed sum (if any) as shall from time to time be determined by the Company in general meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine or failing agreement equally.*

*Provided always that:-*

*(a) Fees payable to Directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;*

*(b) Salaries payable to Directors who do hold an executive office in the Company may not include a commission on or percentage of turnover;*

*(c) Fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the meeting; and*

*(d) Any fee paid to an alternate Director shall be such as shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter."*

Article 92:

*"(1) The Directors shall be paid all their travelling and other expenses properly and necessarily expanded by them in and about the business of the Company including their travelling and other expenses incurred in attending Board Meetings of the Company.*

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(2) *If any Director whether he holds an executive or non executive position in the Company, being willing shall be called upon to perform extra services or to make any special arrangements in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing if he holds an executive position in the Company, either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) and if he holds non-executive position in the Company, either by a fixed or otherwise (other than by a sum to include a commission on or percentage of profits or turnover) as may be determined by the Company in general meeting and such remuneration from time to time provided for the Directors."*

## 3. CONSENTS

Our Principal Adviser, Principal Bankers, Share Registrar and Solicitors for the Rights Issue of RCPS have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

PricewaterhouseCoopers, our Auditors and the Reporting Accountants, has given and has not subsequently withdrawn its written consent to the inclusion in this Abridged Prospectus of the proforma consolidated statement of financial position of our Group as at 31 December 2013 together with the Reporting Accountants' letter, its report relating to our audited consolidated financial statements for the FYE 31 December 2013, its name and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Bloomberg Finance L.P. has given and has not subsequently withdrawn its written consent for the inclusion of its name as the source of historical share prices of our Company, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

CB Richard Ellis (Malaysia) Sdn Bhd has given and has not subsequently withdrawn its written consent for the inclusion of its name as the source of overview of the property investment industry, property development industry and hotel industry, and all references thereto in the form and context in which they appear in this Abridged Prospectus.

## 4. PRINCIPAL ADVISER'S DECLARATION ON CONFLICT OF INTEREST

CIMB, its related and associated companies ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or any of its affiliates, in addition to the role as Principal Adviser for the Rights Issue of RCPS. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Company and/or its affiliates and/or any other person(s), hold long or short positions in securities issued by our Company and/or its affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or for the account of its other customers in debt or equity securities or senior loans of our Company and/or its affiliates. This is a result of the businesses of CIMB Group generally acting independent of each other and accordingly, there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Company, its subsidiaries and/or its associated companies.

CIMB Group has in the ordinary course of its banking business, granted credit facilities to our Group, which amount to an aggregate of approximately RM914 million as at the LPD of which approximately RM889 million has been drawn down. It is expected that our Company will channel part of the proceeds raised from the Rights Issue of RCPS to repay up to RM161 million of the borrowings granted by the CIMB Group.

CIMB has confirmed that the abovementioned extension of credit facilities does not result in a conflict of interest situation in respect of its capacity as Principal Adviser for the Rights Issue of RCPS as:

(i) the total credit facilities is not material when compared to the audited total assets of the CIMB Group as at 31 December 2013;

(ii) the extension of such credit facilities arose in the CIMB Group's ordinary course of business in view of the CIMB Group's extensive participation in the Malaysian banking industry; and

(iii) the conduct of CIMB Group in its banking business is strictly regulated by the Financial Services Act 2013 and CIMB Group's own internal controls and checks.

## 5. MATERIAL CONTRACTS

Save as disclosed below, the Group has not entered into any material contract (being a contract that was entered into outside the ordinary course of its business) within the past two (2) years preceding the LPD:

(i) share sale agreements both dated 15 March 2013 between IGB Corp, a subsidiary of our Company, and KrisAssets Holdings Berhad (*under members' voluntary liquidation*) for the acquisition of the entire interests in Mid Valley City Sdn Bhd, and Mid Valley City Gardens Sdn Bhd for a total cash consideration of RM200,000 ("**Acquisition**"). The Acquisition was completed on 15 March 2013;

(ii) share sale and purchase agreement dated 19 June 2013 between Megan Prestasi Sdn Bhd ("**MPSB**"), a wholly-owned subsidiary of IGB Corp, and Dato' Dr Kho Eng Hue @ Koh Eng Hooi ("**DDK**") on the acquisition by MPSB of 1,000,001 ordinary shares of RM1.00 each in Distinctive ACE Sdn Bhd ("**DASB**"), representing 50% and 1 share of the issued and paid-up share capital of DASB, from DDK, for RM33.0 million; and shareholders' agreement dated 19 June 2013 between MPSB, DDK, Tan Nyap Keong @ Tony Tan, Datin Lee Min Mooi @ Lee Min May, Lim Ech Chan and Koh Bee Hoon to record their certain commitment and otherwise regulate their rights as shareholders of DASB, upon the terms and subject to the condition contained therein. The share sale and purchase agreement and shareholders' agreement were completed on 2 August 2013. DASB is now a subsidiary of MPSB;

(iii) Letter of Offer dated 30 January 2014 by CIMB Bank Berhad, Labuan Offshore Branch, to Verokey Sdn Bhd, a wholly-owned subsidiary of IGB Corp, for the grant by CIMB Bank Berhad, Labuan Offshore Branch, to Verokey Sdn Bhd of banking facilities of up to GBP67,000,000. The facilities are, inter alia, for Verokey Sdn Bhd to advance up to GBP60,000,000 to Black Pearl Limited (Company No. 56713) ("**BPL**") for part payment of the purchase consideration for the acquisition of freehold properties in London and to finance up to GBP2,500,000 for the subscription of the ordinary shares of BPL by Verokey Sdn Bhd;

Assignment and Charge of Designated Accounts dated 4 February 2014 between CIMB Bank Berhad, Labuan Offshore Branch, and IGB Corp for the assignment and charge over the fixed deposit account to be opened and maintained with CIMB Bank Berhad;

(iv) Letter of Offer dated 16 July 2014 and Supplemental Letter of Offer dated 6 August 2014 by Public Bank Berhad to Goldis for the grant by Public Bank Berhad of a revolving credit facility of up to RM1,690,000,000 to finance the payment of valid acceptance of IGB Corp shares under the Offer and, subsequent to the completion of such acquisition, to finance Goldis' working capital ("**Public Bank Loan**"). The Public Bank Loan is to be secured by way of the following:

Facilities Agreement dated 11 August 2014 between Public Bank Berhad and Goldis for the grant of the above revolving credit facility of up to RM1,690,000,000;

Memorandum of Deposit First Party dated 11 August 2014 between Public Bank Berhad and Goldis over the shares in IGB Corp already owned by Goldis;

Memorandum of Deposit First Party dated 11 August 2014 between Public Bank Berhad and Goldis over the shares in IGB Corp to be acquired from the Offer; and

(v) Letter of Offer dated 17 July 2014 by CIMB Bank Berhad to Goldis for the grant by CIMB Bank Berhad of banking facilities to Goldis of up to RM910,000,000 to finance the payment of valid acceptances of IGB Corp shares under the Offer ("**CIMB Bank Loan**"). The CIMB Bank Loan is to be secured by way of a Memorandum of Deposit of Shares dated 24 July 2014 between CIMB Bank Berhad and Goldis over the shares in IGB Corp, including but not limited, in all cases, to bonus shares, rights shares and other new shares or rights entitlements.

## 6. MATERIAL LITIGATION

As at the LPD, neither our Company nor any of our subsidiaries is involved in any material claim, litigation or arbitration either as a plaintiff or as a defendant in any proceedings that may materially affect the financial position or business of our Company or any of our subsidiaries, and our Board confirms that there are no proceedings that are pending or threatened against our Company or any of our subsidiaries or of any facts that are likely to give rise to any proceedings against our Company or any of our subsidiaries which may materially affect the financial position or business of our Company or any of our subsidiaries.

## 7. GENERAL

(i) There are no existing or proposed service contracts between our directors and our Company or our subsidiaries, other than those which are expiring or determinable by the employing company without payment or compensation (other than statutory compensation) within one (1) year from the date of this Abridged Prospectus.

(ii) Save as disclosed in this Abridged Prospectus, our Board confirms that the financial condition and operations of our Group are not affected by any of the following:

(a) known trends, demands, commitments, events or uncertainties that will result in or are likely to materially increase or decrease our Group's liquidity;

(b) material commitments for capital expenditure;

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

(d) known trends or uncertainties that have had, or will have, a material favourable or unfavourable impact on our Group's revenues or operating income; and

(e) 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.

**8. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection at the Registered Office of our Company at Suite 28-03, Level 28, GTower, 199 Jalan Tun Razak, 50400 Kuala Lumpur during normal business hours from Monday to Friday (except public holidays) for a period of 12 months from the date of issuance of this Abridged Prospectus:

(i) our Memorandum and Articles of Association;

(ii) each material contract referred to in Section 4 of this Appendix Vll;

(iii) the consent letters referred to in Section 3 of this Appendix Vll;

(iv) our audited consolidated financial statements for the FYE 31 January 2013 and the 11-month FPE 31 December 2013, as well as the latest unaudited consolidated financial statements of our Company for the 9-month FPE 30 September 2014;

(v) the proforma consolidated statements of financial position of our Group as at 31 December 2013 together with the Reporting Accountants' letter thereon as set out in Appendix lV of this Abridged Prospectus;

(vi) the Directors' Report as set out in Appendix Vl of this Abridged Prospectus;

(vii) the letter in relation to the Entitlement Undertakings and the Additional Undertaking from the Undertaking Shareholders as referred to in Section 3.1 of this Abridged Prospectus; and

(viii) adjustment provisions relating to the Conversion Price.

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## 9. RESPONSIBILITY STATEMENT

Our Board has seen and approved the Documents. They collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in the Documents false or misleading.

CIMB, being our Principal Adviser, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue of RCPS.

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