1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The following are accounting standards, amendments and interpretations of the FRS framework that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group and the Company :

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, Related Party Disclosures (revised)
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures – Transfers of Financial Assets
- Amendments to FRS 112, Income Taxes – Deferred Tax: Recovery of Underlying Assets

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- FRS 10, Consolidated Financial Statements
- FRS 11, Joint Arrangements
- FRS 12, Disclosure of Interests in Other Entities
- FRS 13, Fair Value Measurement
- FRS 119, Employee Benefits (2011)
- FRS 127, Separate Financial Statements (2011)
- FRS 128, Investments in Associates and Joint Ventures (2011)
- IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards – Government Loans

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 132, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- FRS 9, Financial Instruments (2009)
- FRS 9, Financial Instruments (2010)
- Amendments to FRS 7, Financial Instruments: Disclosures – Mandatory Date of FRS 9 and Transition Disclosures

The Group's and the Company's financial statements for annual period beginning on 1 April 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards (MFRSs) issued by the MASB and International Financial Reporting Standards (IFRSs). As a result, the Group/Company will not be adopting the above FRSs, Interpretations and amendments.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the notes to the financial statements.

At 31 March 2012, the current liabilities of the Group exceeded the current assets by RM10,006,415 (2011 : RM2,690,578). The validity of the going concern assumption used in the preparation of the financial statements is dependent upon the ability of the Group to generate sufficient cash from its operations and the availability of adequate banking facilities to enable the Group to fulfil its obligations as and when they fall due. The Directors consider it appropriate to prepare the financial statements of the Group on a going concern basis.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in Notes 8 and 9 to the financial statements.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by the Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is held for sale or distribution. The cost of investments includes transaction costs.

The accounting policies of subsidiaries are changed when necessary to align them with the policies adopted by the Group.

(ii) Accounting for business combinations

Subsidiaries consolidated using the pooling-of-interests method of accounting are Butterworth Transport Company Sendirian Berhad, See Hup Transport Company Sdn. Berhad, See Heng Company Sdn. Bhd. and Chuan Eng Teik (M) Sdn. Bhd.

Under the pooling-of-interests method of accounting, the results of entities or businesses under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired were recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements. The difference between the cost of acquisition and the nominal value of the shares acquired together with the share premium are taken to merger reserve (or adjusted against any suitable reserve in the case of debit differences). The other components of equity of the acquired entities are added to the same components within the Group's equity.

Business combinations for other subsidiaries are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Accounting for business combinations (continued)

From 1 April 2011, the Group has applied FRS 3, Business Combinations (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Acquisitions on or after 1 April 2011

For acquisitions on or after 1 April 2011, the Group measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Accounting for business combinations (continued)

Acquisitions between 1 April 2006 and 1 April 2011

For acquisitions between 1 April 2006 and 1 April 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 April 2006

For acquisitions prior to 1 April 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

(iii) Accounting for acquisitions of non-controlling interest

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

The Group applied FRS 127, Consolidated and Separate Financial Statement (revised) since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognised the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be regarded as cost on initial measurement of the investment.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted associates, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale. The cost of the investment includes transaction costs.

(vi) Non-controlling interest

Non-controlling interest at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interest in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interest and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, Consolidated and Separate Financial Statements (revised) where losses applicable to the non-controlling interest in a subsidiary are allocated to the non-controlling interest even if doing so causes the non-controlling interest to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(vi) Non-controlling interest (continued)

In the previous years, where losses applicable to the non-controlling interest exceed their interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interest, were charged against the Group's interest except to the extent that the non-controlling interest had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interest's share of losses previously absorbed by the Group had been recovered.

(vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a cash flow hedge of currency risk, which are recognised in other comprehensive income.

2. Significant accounting policies (continued)

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

(a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Held-to-maturity investments

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group or the Company has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

(c) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(d) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(j)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are classified as deferred income and are amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(v) Derecognition (continued)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost/valuation less any accumulated depreciation and any accumulated impairment losses.

The Group has availed itself to the transitional provision when the MASB first adopted IAS 16, Property, Plant and Equipment in 1998. Certain freehold and leasehold land and buildings were revalued in 1996 and no later valuation has been recorded for these property, plant and equipment (except in the case of impairment adjustments based on a valuation).

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

The gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other operating income" or "other operating expenses" respectively in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The depreciation rate for the current and comparative periods based on their estimated useful lives are at the following principal annual rates :

Buildings	2%
Motor vehicles and mobile cranes	10% - 20%
Plant, machinery and containers	10% - 33.3%
Office equipment, furniture and fittings	10% - 33.3%
Renovations	10%

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate at the end of the reporting period.

2. Significant accounting policies (continued)

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment.

(ii) Operating lease

Leases, where the Group does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised in the statement of financial position of the Group. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.

2. Significant accounting policies (continued)

(f) Investment properties

(i) Investment properties carried at cost

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. These include land held for a currently undetermined future use. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

Investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in accounting policy Note 2(d).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 50 years for buildings. Freehold land is not depreciated.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(ii) Reclassification to/from investment property

An item of property, plant and equipment is transferred to investment property when there is a change in its use. Transfer between investment property, plant and equipment and inventories do not change the carrying amount.

(iii) Determination of fair value

The Directors estimate the fair values of the Group's investment properties without involvement of independent valuers.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

2. Significant accounting policies (continued)

(g) Goodwill

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses.

In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Goodwill with indefinite useful life is not amortised but is tested for impairment annually and whenever there is an indication that they may be impaired.

(h) Trading inventories

Trading inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on the weighted average cost formula and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

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

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

2. Significant accounting policies (continued)

(j) Impairment

(i) Financial assets

All financial assets (except for investments in subsidiaries and associates) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables and held-to-maturity investment is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sales is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2. Significant accounting policies (continued)

(j) Impairment (continued)

(ii) Other assets

The carrying amounts of other assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets (known as cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or the group of cash-generating units and then to reduce the carrying amount of the other assets in the cash-generating unit (or a group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. Significant accounting policies (continued)

(k) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Issue expenses

Costs directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(l) Employee benefits

(i) Short term employee benefits

Short term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's contributions to statutory pension funds are charged to profit or loss in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(ii) Share-based payment transactions

The grant date fair value of share-based payment awards to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2. Significant accounting policies (continued)

(l) Employee benefits (continued)

(ii) Share-based payment transactions (continued)

The fair value of employee share options is measured using a binomial lattice model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(n) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

2. Significant accounting policies (continued)

(o) Revenue and other income (continued)

(ii) Services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the end of the reporting period. Transportation, forwarding and handling charges are recognised when the services are rendered.

(iii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other operating income.

(iv) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(p) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are 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 capitalised as part of the cost of those assets.

2. Significant accounting policies (continued)

(p) Borrowing costs (continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(q) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates a business combination or to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2. Significant accounting policies (continued)

(r) Earnings per ordinary share

The Group presents basic and diluted earnings per ordinary share data for its ordinary shares (EPS).

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(s) Operating segments

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

3. Property, plant and equipment - Group

	At valuation	At cost						
	Land and buildings RM	Land and buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Office equipment, furniture and fittings RM	Renovations RM	Under construction RM	Total RM
At Valuation/Cost								
At 1 April 2010	7,021,207	9,988,077	72,297,948	24,966,485	3,526,361	85,940	2,891,469	120,777,487
Additions	-	64,253	9,297,756	290,408	86,195	16,852	-	9,755,464
Disposals	-	(93,430)	(2,038,855)	(2,377,580)	(14,000)	-	-	(4,523,865)
Write-off	-	-	(977,174)	-	(11,000)	-	-	(988,174)
Reclassification	-	-	2,891,469	-	-	-	(2,891,469)	-
At 31 March 2011/ 1 April 2011	7,021,207	9,958,900	81,471,144	22,879,313	3,587,556	102,792	-	125,020,912
Additions	-	20,000	2,350,021	167,890	115,534	9,333	-	2,662,778
Disposals	-	-	(1,796,857)	(1,597,932)	(1,328,038)	-	-	(4,722,827)
Write back	-	-	592,416	-	-	-	-	592,416
Write-off	-	-	-	-	(6,440)	(18,000)	-	(24,440)
Transfer to investment properties	(755,000)	-	-	-	-	-	-	(755,000)
At 31 March 2012	6,266,207	9,978,900	82,616,724	21,449,271	2,368,612	94,125	-	122,773,839

3. Property, plant and equipment - Group (continued)

	At valuation	← At cost					→	
	Land and buildings RM	Land and buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Office equipment, furniture and fittings RM	Renovations RM	Under construction RM	Total RM
Accumulated depreciation and impairment loss								
At 1 April 2010								
- Accumulated depreciation	1,203,525	700,800	40,303,504	16,486,556	2,583,836	17,914	-	61,296,135
- Accumulated impairment loss	-	-	27,621	-	-	-	-	27,621
	1,203,525	700,800	40,331,125	16,486,556	2,583,836	17,914	-	61,323,756
Depreciation for the year	88,150	110,117	6,046,723	2,688,637	255,169	16,061	-	9,204,857
Disposals	-	(1,990)	(1,714,259)	(1,090,852)	(13,999)	-	-	(2,821,100)
Write-off	-	-	(918,887)	-	(10,522)	-	-	(929,409)
At 31 March 2011								
- Accumulated depreciation	1,291,675	808,927	43,717,081	18,084,341	2,814,484	33,975	-	66,750,483
- Accumulated impairment loss	-	-	27,621	-	-	-	-	27,621
	1,291,675	808,927	43,744,702	18,084,341	2,814,484	33,975	-	66,778,104

3. Property, plant and equipment - Group (continued)

	At valuation	At cost						
	Land and buildings RM	Land and buildings RM	Motor vehicles and mobile cranes RM	Plant, machinery and containers RM	Office equipment, furniture and fittings RM	Renovations RM	Under construction RM	Total RM
Accumulated depreciation and impairment loss (continued)								
At 1 April 2011								
- Accumulated depreciation	1,291,675	808,927	43,717,081	18,084,341	2,814,484	33,975	-	66,750,483
- Accumulated impairment loss	-	-	27,621	-	-	-	-	27,621
	1,291,675	808,927	43,744,702	18,084,341	2,814,484	33,975	-	66,778,104
Depreciation for the year	79,450	109,650	6,583,034	2,013,257	227,801	16,903	-	9,030,095
Disposals	-	-	(1,606,301)	(1,071,421)	(1,013,333)	-	-	(3,691,055)
Write back	-	-	592,414	-	-	-	-	592,414
Write-off	-	-	-	-	(1,281)	(3,600)	-	(4,881)
Transfer to investment properties	(136,819)	-	-	-	-	-	-	(136,819)
At 31 March 2012								
- Accumulated depreciation	1,234,306	918,577	49,286,228	19,026,177	2,027,671	47,278	-	72,540,237
- Accumulated impairment loss	-	-	27,621	-	-	-	-	27,621
	1,234,306	918,577	49,313,849	19,026,177	2,027,671	47,278	-	72,567,858

3. Property, plant and equipment - Group (continued)

	At valuation	At cost						
	Land and buildings RM	**Land and buildings RM**	**Motor vehicles and mobile cranes RM**	**Plant, machinery and containers RM**	**Office equipment, furniture and fittings RM**	**Renovations RM**	**Under construction RM**	**Total RM**
Carrying amounts								
At 1 April 2010	5,817,682	9,287,277	31,966,823	8,479,929	942,525	68,026	2,891,469	59,453,731
At 31 March 2011/ 1 April 2011	5,729,532	9,149,973	37,726,442	4,794,972	773,072	68,817	-	58,242,808
At 31 March 2012	5,031,901	9,060,323	33,302,875	2,423,094	340,941	46,847	-	50,205,981

3. Property, plant and equipment - Group (continued)

Land and buildings comprise :

	Valuation/Cost		Carrying amounts	
	2012	2011	2012	2011
	RM	RM	RM	RM
At Valuation				
Freehold land	2,123,207	2,443,207	2,123,207	2,443,207
Leasehold land	1,023,000	1,023,000	765,278	782,328
Buildings	3,120,000	3,555,000	2,143,416	2,503,997
	6,266,207	7,021,207	5,031,901	5,729,532
At Cost				
Freehold land	4,235,203	4,215,203	4,235,203	4,215,203
Leasehold land	1,573,225	1,573,225	1,285,502	1,311,744
Buildings	4,170,472	4,170,472	3,539,617	3,623,026
	9,978,900	9,958,900	9,060,322	9,149,973

3.1 Revaluation

The landed properties are stated at Directors' valuation based on a valuation exercise carried out in 1996 by firms of independent professional valuers based on the open market value basis.

It is the Group's policy to state its property, plant and equipment at cost. Revaluation of its landed properties was carried out in 1996 in conjunction with the listing exercise of the Group and was not intended to effect a change in accounting policy. In accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") upon adoption of International Accounting Standards No. 16 (Revised), Property, Plant and Equipment, the valuation of these assets has not been updated and they continue to be stated at their existing carrying amounts less accumulated depreciation.

Subsequent additions are shown at cost while deletions are at valuation or cost as appropriate.

3. Property, plant and equipment - Group (continued)

3.1 Revaluation (continued)

Had the revalued land and buildings been carried at historical cost less accumulated depreciation, the carrying amount of the revalued assets that would have been included in the financial statements at the end of the year would be as follows :

	Cost RM	Accumulated depreciation RM	Carrying amounts RM
2012			
Freehold land	1,237,252	-	1,237,252
Freehold buildings	287,960	92,267	195,693
Leasehold buildings	2,495,824	786,202	1,709,622
Leasehold land	442,011	141,748	300,263
	4,463,047	1,020,217	3,442,830
2011			
Freehold land	1,445,738	-	1,445,738
Freehold buildings	405,233	125,588	279,645
Leasehold buildings	2,495,824	736,286	1,759,538
Leasehold land	442,011	134,381	307,630
	4,788,806	996,255	3,792,551

3.2 Assets under finance lease liabilities

Included in the property, plant and equipment of the Group are assets acquired under finance lease arrangements with carrying amounts of RM7,846,504 (2011 : RM11,090,839).

3.3 Security

Certain property, plant and equipment of the Group with carrying amounts of RM7,583,506 (2011 : RM8,043,209) are charged to banks as security for secured borrowings granted to the Group (Note 14).

4. Investment properties - Group

	RM
Cost	
At 1 April 2010	3,544,922
Disposals	(480,545)
At 31 March 2011/1 April 2011	3,064,377
Additions	12,704,702
Transfer from property, plant and equipment	755,000
At 31 March 2012	16,524,079
Accumulated depreciation	
At 1 April 2010	701,908
Depreciation for the year	55,153
Disposals	(55,361)
At 31 March 2011/1 April 2011	701,700
Depreciation for the year	59,773
Transfer from property, plant and equipment	136,819
At 31 March 2012	898,292
Carrying amounts	
At 1 April 2010	2,843,014
At 31 March 2011/1 April 2011	2,362,677
At 31 March 2012	15,625,787

Investment properties comprise a number of commercial properties and vacant land that are leased to third parties or held for capital appreciation. The Directors estimate that the fair value of the investment properties approximate to their carrying amounts.

The following are recognised in profit or loss in respect of investment properties :

	2012 RM	2011 RM
Rental income	270,000	44,850
Direct operating expenses		
- income generating investment properties	25,728	3,396
- non-income generating investment properties	10,968	1,997

5. Investment in subsidiaries - Company

	2012 RM	2011 RM
Unquoted shares, at cost	33,265,453	33,190,453
Less : Impairment loss	(7,882,280)	(2,142,387)
	25,383,173	31,048,066

Details of subsidiaries are as follows :

Name of subsidiary	Effective ownership interest 2012 %	Effective ownership interest 2011 %	Principal activities
Held by the Company			
See Hup Transport (K.L.) Sdn. Bhd.	100	100	Transportation services
Jentanian Transport and Forwarding Sdn. Bhd. *	100	100	Transportation services
Butterworth Transport Company Sendirian Berhad *	100	100	Transportation services
See Hup Transport Company Sdn. Berhad	100	100	Transportation services and trading in general merchandise
See Heng Company Sdn. Bhd.	100	100	Hiring of cranes, forklifts, heavy equipment and machinery and trading in general merchandise
Chuan Eng Teik (M) Sdn. Bhd. *	100	100	Hiring of vehicles
Mazs Marketing (M) Sdn. Bhd. *	76.8	76.8	Bonded truck services and bonded warehousing
Limsa Ekuiti Sdn. Bhd. *	100	100	Investment holding
See Hup Pioneer Logistics Sdn. Bhd. *	56.5	56.5	Provision of warehousing and forwarding services and investment holding
SH Logistics (M) Sdn. Bhd. *	50.1	50.1	Transportation services
SH Link International Sdn. Bhd. *	54.0	54.0	Forwarding agent services
SH Global Freight Sdn Bhd *	75.0	75.0	Forwarding/ transport services provider

5. Investment in subsidiaries - Company (continued)

Name of subsidiary	Effective ownership interest 2012 %	2011 %	Principal activities
Held by the Company (Cont'd)			
Bentara Dermaga Sdn. Bhd.	80.3	80.3	Provision of bulk cargo handling services and hiring of plant/machinery
Prosper Power Sdn. Bhd.	54.0	54.0	Provision of bulk cargo handling services
Agriplex (M) Sdn. Bhd.	70.0	70.0	Forwarding services and transport services provider
Held by Limsa Ekuiti Sdn. Bhd.			
Sinar Sempurna Sdn. Bhd. *	100	100	Contractor
Shiua Chyuan Precision Industrial (M) Sdn. Bhd. *	100	100	Letting of property
Held by See Hup Pioneer Logistics Sdn. Bhd.			
SH Haulage Sdn. Bhd.	39.6	39.6	Provision of container haulage services

All the subsidiaries are incorporated in Malaysia.

* Subsidiaries not audited by KPMG.

6. Investment in associates

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Unquoted shares, at cost	3,057,298	3,057,298	965,432	965,432
Shares of post-acquisition reserves	1,409,201	1,413,064	-	-
	4,466,499	4,470,362	965,432	965,432

6. Investment in associates (continued)

Name of associate	Effective ownership interest 2012 %	2011 %	Principal activities	Country of incorporation
Held by the Company				
Perkapalan Maritime Sdn. Bhd. #	49.0	49.0	Forwarding agent services	Malaysia
Tanjung Marine Sdn. Bhd. #	49.0	49.0	Forwarding agent services	Malaysia
SH Freight Services Sdn. Bhd. # #	50.0	50.0	Forwarding agent services	Malaysia
Held by SH Logistics (M) Sdn. Bhd.				
- See Hup Pioneer Logistics (Thailand) Co. Ltd. *	22.8	22.8	Transportation services	Thailand
Held by Sinar Sempurna Sdn. Bhd.				
- Leong Hin Equipment (M) Sdn. Bhd. *	40.0	40.0	Rental of machinery and equipment	Malaysia

Summary financial information on associates :

Group 2012	Revenue (100%) RM	Profit/ (Loss) for the year (100%) RM	Total assets (100%) RM	Total liabilities (100%) RM
Equity accounted				
Perkapalan Maritime Sdn. Bhd.	787,400	66,541	1,167,536	201,671
Tanjung Marine Sdn. Bhd.	10,602,073	11,350	6,037,242	4,058,379
See Hup Pioneer Logistics (Thailand) Co. Ltd.	7,184,405	(973,884)	2,638,116	2,950,978
Leong Hin Equipment (M) Sdn. Bhd.	5,675,176	405,365	10,775,078	5,285,459
SH Freight Services Sdn. Bhd.	192,647	35,740	414,922	37,724
	24,441,701	(454,888)	21,032,894	12,534,211

6. Investment in associates (continued)

Group 2011	Revenue (100%) RM	Profit/ (Loss) for the year (100%) RM	Total assets (100%) RM	Total liabilities (100%) RM
Equity accounted				
Perkapalan Maritime Sdn. Bhd.	781,850	74,574	1,132,282	232,958
Tanjung Marine Sdn. Bhd.	10,425,725	292,792	5,705,256	3,737,743
See Hup Pioneer Logistics (Thailand) Co. Ltd.	7,594,772	(181,265)	4,370,692	3,711,288
Leong Hin Equipment (M) Sdn. Bhd.	4,165,169	729,620	9,645,211	4,862,797
SH Freight Services Sdn. Bhd.	264,066	72,294	407,456	46,111
	23,231,582	988,015	21,260,897	12,590,897

The associate's financial year end is 31 March.
The associate's financial year end is 30 September.
* The associate's financial year end is 31 December.

7. Other investments

Group 2012 Non-current	Total RM	Unquoted shares RM	Shares quoted in Malaysia RM
Available-for-sale financial assets	820,318	167,685	652,633
Less: Impairment loss	(66,403)	(66,403)	-
	753,915	101,282	652,633
Representing items:			
At cost	101,282	101,282	-
At fair value	652,633	-	652,633
	753,915	101,282	652,633
Market value of quoted shares	652,600	-	652,600

7. Other investments (continued)

Group	Total RM	Unquoted shares RM	Shares quoted in Malaysia RM
2011			
Non-current			
Available-for-sale financial assets	187,815	167,685	20,130
Less: Impairment loss	(66,403)	(66,403)	-
	121,412	101,282	20,130
Representing items:			
At cost	101,282	101,282	-
At fair value	20,130	-	20,130
	121,412	101,282	20,130
Market value of quoted shares	20,100	-	20,100

Company	Total RM	Unquoted shares RM	Shares quoted in Malaysia RM
2012			
Non-current			
Available-for-sale financial assets	167,685	167,685	-
Less: Impairment loss	(66,403)	(66,403)	-
	101,282	101,282	-
Representing items :			
At cost	101,282	101,282	-
2011			
Non-current			
Available-for-sale financial assets	167,685	167,685	-
Less: Impairment loss	(66,403)	(66,403)	-
	101,282	101,282	-
Representing items :			
At cost	101,282	101,282	-

8. Goodwill on consolidation - Group

	2012 RM	2011 RM
Balance at beginning of year	3,797,564	3,797,564
Impairment loss recognised in profit or loss	(3,298,924)	-
Balance at end of year	498,640	3,797,564

The above goodwill acquired is in respect of the Group's acquisition of subsidiaries and is stated at cost. During the year, the Group impaired the goodwill relating to a loss making subsidiary, SH Logistics (M) Sdn. Bhd. as the recoverable amount of the cash-generating unit ("CGU") of this subsidiary is lower than its carrying amount.

(a) Key sources of estimation uncertainty

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the CGU. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from cash-generating unit and also to apply a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's goodwill as at 31 March 2012 was approximately RM499,000 (2011 : RM3,797,000).

(b) Recoverable amount based on value in use

The recoverable amount of a CGU is determined based on value in use calculations based on the following key assumptions :

(i) Cash flows for 5 years are projected based on the financial estimates made by the Directors.

(ii) Discount rate used for cash flows discounting purposes are the management's estimate of average cost of capital required in the respective segments. The discount rate applied for the cash flow projections is 5%.

(iii) The financial estimates are projected based on the historical average earnings before interest, taxation, depreciation and amortisation ("EBITDA") rate of 15%.

(iv) Revenue is projected to increase by 10% annually via new logistics contracts from new and existing customers.

With regard to the assessment of value in use and fair value less costs to sell, management believes that no reasonably possible change in any of the above key assumptions would cause the recoverable amount of the CGU to be materially below its carrying amount.

9. Receivables, deposits and prepayments

		Group		Company	
		2012	2011	2012	2011
	Note	RM	RM	RM	RM
Non-current					
Trade					
Others	9.1	-	3,911,091	-	-
Current					
Trade					
Companies in which certain Directors have substantial financial interests	9.2	446,453	-	-	-
Associates	9.2	3,987,857	3,954,063	-	-
Others	9.2	34,608,266	41,680,256	-	-
Less : Impairment loss		(11,699,397)	(581,635)	-	-
		27,343,179	45,052,684	-	-
Non-trade					
Subsidiaries	9.3	-	-	12,414,415	14,791,510
Associates	9.3	464,120	468,252	9,077	13,209
Other receivables		1,531,049	1,332,168	90,000	-
Prepayments		308,219	1,266,989	-	-
Deposits		1,623,490	1,543,460	-	-
		3,926,878	4,610,869	12,513,492	14,804,719
		31,270,057	49,663,553	12,513,492	14,804,719

9.1 Non-current trade receivables

Pursuant to the debt settlement arrangements entered into by the Group with certain debtors, an amount of RM Nil (2011 : RM3,911,091) will be received after twelve months from the end of the reporting period.

9. Receivables, deposits and prepayments (continued)

9.2 Trade receivables

The trade receivables of the Group due from associates and companies in which certain Directors have substantial financial interests are subject to the normal trade terms.

Pursuant to the scheme of arrangement disclosed in Note 33 to the financial statements, an amount of RM414,973 has been written off during the year.

9.3 Amount due from subsidiaries and associates

The non-trade receivables due from subsidiaries and associates are unsecured, interest free and repayable on demand, except for the amounts of RM1,219,500 (2011: RM2,840,000) due from subsidiaries which bear interest at rates ranging from 7.55% -8.10% (2011: 6.30% - 7.55%) per annum.

10. Cash and cash equivalents

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Deposits placed with licensed banks	165,686	1,160,913	-	-
Cash and bank balances	1,840,353	3,418,176	9,874	1,171
	2,006,039	4,579,089	9,874	1,171

The entire deposits of the Group are pledged as security for banking facilities granted to certain subsidiaries (Note 14).

11. Share capital - Group/Company

	2012		2011	
	Amount RM	**Number of shares**	**Amount RM**	**Number of shares**
Ordinary shares of RM1 each				
Authorised :	50,000,000	50,000,000	50,000,000	50,000,000
Issued and fully paid :				
Balance at 1 April	40,677,600	40,677,600	40,127,600	40,127,600
Issued under ESOS for cash at RM1.00 per share	590,000	590,000	550,000	550,000
Balance at 31 March	41,267,600	41,267,600	40,677,600	40,677,600

12. Reserves

		Group		Company	
	Note	**2012 RM**	**2011 RM**	**2012 RM**	**2011 RM**
Non-distributable					
Share premium		2,397,073	2,397,073	2,397,073	2,397,073
Property revaluation reserve	12.1	559,492	559,492	-	-
Share option reserve		53,820	59,940	53,820	59,940
Fair value reserve	12.2	(43,839)	(1,270)	-	-
Accumulated losses		(3,561,590)	-	(5,523,443)	-
		(595,044)	3,015,235	(3,072,550)	2,457,013
Distributable					
Retained earnings		-	9,136,582	-	1,820,084
		(595,044)	12,151,817	(3,072,550)	4,277,097

12.1 Property revaluation reserve

The property revaluation reserve is in respect of surplus on revaluation of the Group's properties.

12. Reserves (continued)

12.2 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

Movements in the reserves are shown in the Statements of Changes in Equity.

The Finance Act 2007 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 March 2012 will be available to the Company until such time the credit is fully utilised or upon expiry of the transitional period on 31 December 2013, whichever is earlier.

13. Non-controlling interests - Group

This consists of the minority shareholders' proportion of share capital and reserves of subsidiaries.

14. Loans and borrowings - Group

	2012 RM	2011 RM
Current		
Term loans - unsecured		
- fixed rate	63,756	-
- floating rate	868,192	-
Term loans - secured		
- floating rate	2,290,685	2,648,900
Bank overdrafts – unsecured	7,161,712	1,913,270
Bankers' acceptances – unsecured	4,526,000	14,050,000
Revolving credits – unsecured	9,711,878	9,700,000
Finance lease liabilities	1,962,090	2,702,497
Others	-	10,915
	26,584,313	31,025,582

14. Loans and borrowings - Group (continued)

	2012 RM	2011 RM
Non-current		
Term loans - unsecured		
- fixed rate	440,244	-
- floating rate	1,125,395	-
Term loans - secured		
- floating rate	10,963,841	4,549,861
Finance lease liabilities	2,985,799	4,434,139
	15,515,279	8,984,000

14.1 Security

The secured bank borrowings are secured over fixed deposits with licensed banks and certain properties and equipment of the Group.

14.2 Finance lease liabilities

Finance lease liabilities are payable as follows :

	2012			2011		
	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
Less than 1 year	2,222,729	260,639	1,962,090	3,096,426	393,929	2,702,497
Between 1 and 5 years	3,182,489	196,690	2,985,799	4,868,624	434,485	4,434,139
	5,405,218	457,329	4,947,889	7,965,050	828,414	7,136,636

15. Deferred tax liabilities - Group

The recognised deferred tax liabilities/(assets) are as follows :

	2012 RM	2011 RM
Property, plant and equipment		
- capital allowances	3,625,000	3,746,490
- revaluation	396,682	452,651
Unutilised tax losses	(121,000)	(227,000)
Provisions	(11,000)	(34,000)
	3,889,682	3,938,141

The movements in deferred tax liabilities/(assets) during the year are as follows :

	At 1 April 2010 RM	Recognised in profit or loss RM	At 31 March 2011 RM	Recognised in profit or loss RM	At 31 March 2012 RM
Property, plant and equipment					
- capital allowances	4,887,908	(1,141,418)	3,746,490	(121,490)	3,625,000
- revaluation	478,917	(26,266)	452,651	(55,969)	396,682
Unutilised tax losses	(349,811)	122,811	(227,000)	106,000	(121,000)
Provisions	(166,295)	132,295	(34,000)	23,000	(11,000)
Unabsorbed capital allowances	(561,093)	561,093	-	-	-
	4,289,626	(351,485)	3,938,141	(48,459)	3,889,682

No deferred tax has been recognised for the following items :

	2012 RM	2011 RM
Unutilised tax losses	7,098,000	3,880,000
Other temporary differences	1,201,000	(5,402,000)
Unabsorbed capital allowances	6,901,000	5,365,000
	15,200,000	3,843,000

The unutilised tax losses and unabsorbed capital allowances do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

The comparative figures have been restated to reflect the revised temporary differences, unutilised tax losses and unabsorbed capital allowances available to the Group.

16. Payables and accruals

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Trade					
Associates	16.1	2,750,691	1,982,423	-	-
Others		9,169,455	17,333,594	-	-
		11,920,146	19,316,017	-	-
Non-trade					
Subsidiaries	16.2	-	-	837,980	2,034,669
Associates	16.2	300,000	1,150,000	-	-
Shareholders	16.2	160,000	160,000	-	-
Directors	16.2	25,000	25,000	-	-
Other payables	16.3	2,730,931	2,864,167	30,194	8,893
Accrued expenses		2,428,128	2,682,774	66,000	67,000
		5,644,059	6,881,941	934,174	2,110,562
		17,564,205	26,197,958	934,174	2,110,562

16.1 Amount due to associates

The trade payables due to associates are subject to the normal trade terms.

16.2 Amounts due to subsidiaries, associates, shareholders and Directors

The non-trade payables due to subsidiaries, associates, shareholders and Directors are unsecured, interest-free and payable on demand except for the amounts of RM240,926 (2011: RM2,060,000) due to subsidiaries which bear interest at 8.10% (2011: 6.50% - 8.10%) per annum.

16.3 Advances from third party

Included in other payables is an amount of RM967,000 (2011 : RM1,250,000) being advances from third party which is unsecured, payable on demand and subject to interest at 6.6% (2011 : 10%) per annum.

17. Revenue

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Sale of goods	41,419,907	51,443,269	-	-
Rental income from warehousing services	3,594,491	3,859,666	-	-
Freight and forwarding services	85,718,054	79,273,127	-	-
Hiring out of cranes and forklifts	705,762	453,425	-	-
Dividend income (gross) - subsidiaries	-	-	130,854	1,810,854
Others	216,397	290,450	-	-
	131,654,611	135,319,937	130,854	1,810,854

18. Staff costs - Group

Included in the Group's staff costs are contributions to Employees' Provident Fund of RM1,388,510 (2011 : RM1,200,600).

19. Financing costs

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Interest payable/paid :				
Bank overdrafts	170,959	434,733	-	-
Finance lease liabilities	407,311	446,982	-	-
Term loans	728,775	407,426	-	-
Bankers' acceptances	361,113	407,714	-	-
Revolving credits	630,376	513,477	-	-
Others	14,671	23,009	74,501	22,438
	2,313,205	2,233,341	74,501	22,438

20. (Loss)/Profit before tax

(Loss)/Profit before tax is arrived at :

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
After charging :				
Auditors' remuneration				
- Statutory audit				
- KPMG				
- current year	85,000	88,000	16,000	16,000
- prior year	(3,000)	3,000	-	-
- Other auditors				
- current year	39,000	31,500	-	-
- prior year	300	(7,500)	-	-
- Other services				
- KPMG	5,000	5,000	5,000	5,000
Depreciation				
- property, plant and equipment	9,030,095	9,204,857	-	-
- investment properties	59,773	55,153	-	-
Directors' emoluments				
Directors of the Company				
- fees	98,500	113,500	45,000	50,000
- others	799,305	1,164,447	-	-
Past Director				
- fees	26,000	-	5,000	-
- others	372,450	-	-	-
Other Directors				
- fees	74,500	72,500	-	-
- others	1,253,287	1,287,883	-	-
Hire of equipment and vehicles	19,202,088	17,284,518	-	-
Rental expense	703,513	895,636	-	-
Impairment loss on receivables, net	11,125,762	500,838	-	-
Equipment written off	19,557	58,765	-	-
Loss on disposal of investment properties	-	45,184	-	-
Loss on foreign exchange – realised	15,385	2,807	-	-
Impairment loss on other investment	-	66,403	-	66,403
Impairment loss on investment in subsidiaries	-	-	5,739,893	-
Receivables written off	414,615	-	-	-
Impairment loss on goodwill	3,298,924	-	-	-

20. (Loss)/Profit before tax (continued)

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
and crediting :				
Gain on disposal of :				
- property, plant and equipment	1,047,676	320,664	-	-
- investment in an associate	-	6,320	-	-
Rental income from properties	270,000	110,250	-	-
Interest income	145,762	546,678	126,975	45,974
Dividend income				
- subsidiaries	-	-	130,854	1,810,854
- others (quoted in Malaysia)	1,435	1,660	-	-
Bad debts recovered	-	1,250	-	-
Negative goodwill recognised	-	30,047	-	-

21. Key management personnel compensation

The key management personnel compensations are as follows :

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Directors of the Company				
- Fees	94,500	88,500	25,000	25,000
- Remuneration	1,147,385	1,131,447	-	-
- Benefits-in-kind	33,300	33,300	-	-
Other Directors				
- Fees	40,000	40,000	-	-
- Remuneration	352,170	407,160	-	-
- Benefits-in-kind	9,333	-	-	-
Total short-term employee benefits	1,676,688	1,700,407	25,000	25,000

The key management personnel is identified by the Group as certain Directors of the Group having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

22. Income tax expense

Recognised in profit or loss

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Income tax expense on continuing operations	682,385	918,725	21,332	432,788
Share of tax of equity accounted associates	108,573	150,758	-	-
Total income tax expense	790,958	1,069,483	21,332	432,788

Major components of income tax expense include :

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Current tax expense				
- Based on results for the year	734,736	742,422	21,203	436,366
- (Over)/Under provision in prior years	(3,892)	527,788	129	(3,578)
Total current tax	730,844	1,270,210	21,332	432,788
Deferred tax expense				
- Origination and reversal of temporary differences	3,000	(166,615)	-	-
- Over provision in prior years	(51,459)	(184,870)	-	-
Total deferred tax	(48,459)	(351,485)	-	-
	682,385	918,725	21,332	432,788
Share of tax of equity accounted associates				
- Current year	84,015	150,758	-	-
- Prior years	24,558	-	-	-
	108,573	150,758	-	-
Total income tax expense	790,958	1,069,483	21,332	432,788

22. Income tax expense (continued)

Reconciliation of effective tax expense

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
(Loss)/Profit for the year	(14,031,307)	199,752	(5,678,309)	1,244,430
Total income tax expense	790,958	1,069,483	21,332	432,788
Profit excluding tax	(13,240,349)	1,269,235	(5,656,977)	1,677,218
Income tax calculated using Malaysian tax rate of 25%	(3,310,088)	317,309	(1,414,244)	419,305
Non-deductible expenses	1,308,525	390,699	1,435,280	17,061
Income not subject to tax	(11,647)	(15,809)	-	-
Effect of deferred tax assets not recognised	2,839,172	32,621	-	-
Others	(4,211)	1,745	167	-
	821,751	726,565	21,203	436,366
(Over)/Under provision in prior years	(30,793)	342,918	129	(3,578)
	790,958	1,069,483	21,332	432,788

23. Employee benefits

Share-based payments

On 3 September 2005, the Group offered vested share options over ordinary shares to full time employees and Directors of the Group who have been confirmed in the employment of the Group for at least one year. On 3 July 2007, a further grant on similar terms was offered to the employees of the Group.

23. Employee benefits (continued)

The terms and conditions of the grants are as follows; all options are to be settled by physical delivery of shares :

Grant date	Number of instruments ('000)	Vesting conditions	Contractual life of options
4 October 2005 *	6,014	100% vesting upon grant	From grant date to 22 September 2015
3 July 2007	1,379	100% vesting upon grant	From grant date to 22 September 2015
Total shares options	7,393		

* The recognition and measurement principles in FRS 2 have not been applied to these grants as they were granted prior to the effective date of FRS 2.

The number and weighted average exercise price of share options are as follows :

	Weighted average exercise price 2012 RM	Number of options 2012 ('000)	Weighted average exercise price 2011 RM	Number of options 2011 ('000)
Outstanding at 1 April	1.00	4,371	1.00	5,156
Granted during the year	-	-	-	-
Expired/Lapsed during the year	1.00	(418)	1.00	(235)
Exercised during the year	1.00	(590)	1.00	(550)
Outstanding at 31 March	1.00	3,363	1.00	4,371
Exercisable at 31 March	1.00	3,363	1.00	4,371

The options outstanding at 31 March 2012 have an exercise price of RM1.00 and will lapse on 22 September 2015.

During the year, 590,000 share options were exercised (2011 : 550,000). The weighted average share price for the year was RM0.89 (2011 : RM0.92).

24. (Loss)/Earnings per ordinary share - Group

Basic (loss)/earnings per ordinary share

The calculation of basic (loss)/earnings per ordinary share at 31 March 2012 was based on the losses attributable to ordinary shareholders of RM11,032,954 (2011 : profit of RM734,339) and a weighted average number of ordinary shares outstanding during the year of 41,267,600 (2011 : 40,355,134) calculated as follows :

Weighted average number of ordinary shares

	2012	2011
Issued ordinary shares at 1 April	40,677,600	40,127,600
Effect of ordinary shares issued	590,000	227,534
Weighted average number of ordinary shares at 31 March	41,267,600	40,355,134

Diluted earnings per ordinary share

For financial years ended 2012 and 2011, diluted earnings per ordinary share was not computed and presented as the effect of the ESOS is anti-dilutive.

25. Dividends - Group and Company

	Sen per share (net of tax)	Total amount RM	Date of Payment
2012			
Interim 2011 ordinary	4.05	1,671,338	4 May 2011
2011			
Final 2010 ordinary	4.05	1,625,168	8 October 2010

26. Capital commitment - Group

	2012 RM	2011 RM
Property, plant and equipment		
- Contracted but not provided for	-	10,989,000

27. Contingent liabilities - Company, unsecured

i) The Company has issued corporate guarantees to financial institutions amounting to RM80,311,987 (2011 : RM72,248,800) as security for banking facilities granted to certain subsidiaries of which RM36,805,884 (2011 : RM34,275,856) was utilised at the end of the reporting period.

ii) The Company has also undertaken to provide continuing financial support to certain subsidiaries to enable them to meet their financial obligations as and when they fall due.

28. Operating segments

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products/services and managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Managing Director (the chief operating decision maker) reviews internal management reports at least on a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Segment 1 - Transportation and logistics services	General cargo transporter, freight forwarding agent, hiring of cranes, forklifts, heavy equipment and machinery, servicing and maintenance of heavy vehicles and forklifts and provision of bonded warehouse and bonded trucks services, container haulage and bulk cargo handling services
Segment 2 - Trading	General merchandise
Segment 3 - Others	Investment holding and letting of property, subcontracting of precasting works and general construction

28. Operating segments (continued)

Performance is measured based on segment operating profit as included in the internal management reports that are reviewed by the Group's Managing Director (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment.

Segment assets

The total of segment asset is measured based on all assets of a segment (excluding current tax assets), as included in the internal management reports that are reviewed by the Group's Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management report nor provided regularly to the Group's Managing Director. Hence, no disclosure is made on segment liability.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, investment properties and intangible assets other than goodwill.

28. Operating segments (continued)

	Transportation and logistic services RM'000	Trading RM'000	Others RM'000	Total RM'000	Reconciliations/ Eliminations RM'000	Note	Per consolidated financial statements RM'000
31 March 2012							
Segment profit/(loss)	(8,279)	(2,533)	(220)	(11,032)	(2,317)	A	(13,349)
Included in the measure of segment profit/(loss) are :							
Revenue from external customers	90,019	41,420	216	131,655	-		131,655
Inter-segments sales	191	1,479	148	1,818	(1,818)		-
Depreciation and amortisation	(8,994)	-	(96)	(9,090)	-		(9,090)
Interest income	146	-	-	146	-		146
Other non-cash items	(8,145)	(3,415)	-	(11,560)	-	B	(11,560)
Not included in the measure of segment profit/(loss) but provided to Group Managing Director :							
Financing costs	(2,047)	-	(266)	(2,313)	-		(2,313)
Share of loss of associates	(4)	-	-	(4)	-		(4)
Income tax expense	(583)	-	(99)	(682)	-		(682)
Segment assets	82,151	3,566	19,361	105,078	769	C	105,847
Included in the measure of segment assets are :							
Addition to non-current assets other than financial instruments	2,632	-	12,735	15,367	-		15,367

28. Operating segments (continued)

	Transportation and logistic services RM'000	Trading RM'000	Others RM'000	Total RM'000	Reconciliations/ Eliminations RM'000	Note	Per consolidated financial statements RM'000
31 March 2011							
Segment profit/(loss)	1,648	1,155	79	2,882	(1,764)	A	1,118
Included in the measure of segment profit/(loss) are :							
Revenue from external customers	83,587	51,443	290	135,320	-		135,320
Inter-segments sales	173	927	1,811	2,911	(2,911)		-
Depreciation and amortisation	(9,167)	-	(93)	(9,260)	-		(9,260)
Interest income	270	277	-	547	-		547
Other non-cash items	(562)	(64)	-	(626)	-	B	(626)
Not included in the measure of segment profit/(loss) but provided to Group Managing Director :							
Financing costs	(1,880)	(354)	-	(2,234)	-		(2,234)
Share of profit of associates	470	-	-	470	-		470
Income tax expense	(665)	(221)	(33)	(919)	-		(919)
Segment assets	105,377	13,867	7,905	127,149	541	C	127,690
Included in the measure of segment assets are :							
Addition to non-current assets other than financial instruments	9,742	-	13	9,755	-		9,755

28. Operating segments (continued)

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

A. The following items are added to/(deducted from) segment profit to arrive at "Profit before tax from continuing operations" presented in the consolidated statement of comprehensive income :

	2012 RM'000	2011 RM'000
Share of (loss)/profit of associates	(4)	470
Financing costs	(2,313)	(2,234)
	(2,317)	(1,764)

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

	2012 RM'000	2011 RM'000
Impairment loss on receivables	11,126	501
Impairment loss on other investments	-	66
Receivables written off	414	-
Equipment written off	20	59
	11,560	626

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

	2012 RM'000	2011 RM'000
Current tax assets	769	541

Geographical information

No geographical segment reporting is prepared as the Group's activities are primarily carried out in Malaysia.

Major customer

During the year, there were sales to one major customer in trading segment amounting to RM31,320,000 (2011 : RM35,098,000), which contributed more than 10% of the Group's total revenue.

29. Related parties - Group/Company

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has related party relationships with the following:

i) Subsidiaries and associates of the Company as disclosed in the financial statements.

ii) Companies in which certain Directors have controlling interests.

iii) Key management personnel of the Group :

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

The significant related party transactions of the Group and of the Company, other than key management personnel compensation as disclosed in Note 21 to the financial statements, are as follows :

Transactions between the Company and its subsidiaries

	Transactions amount for the year ended 31 March	
	2012	**2011**
	RM'000	**RM'000**
Dividend receivable	131	1,811
Interest receivable	127	46
Interest payable	75	22
Advances received	2,120	3,954
Advances given	5,667	5,971

Group

i) Transactions with companies in which certain Directors have substantial financial interest.

	Transactions amount for the year ended 31 March	
	2012	**2011**
	RM'000	**RM'000**
Rental income	180	10
Transportation charges receivable	474	1,436
Transportation charges payable	2,064	2,180

29. Related parties - Group/Company (continued)

ii) Transactions with associates

	Transactions amount for the year ended 31 March	
	2012	2011
	RM'000	RM'000
Sale of goods	-	626
Transportation and forwarding charges payable	6,533	1,313
Transportation charges receivable	5,776	7,498
Hire of heavy machinery receivable	369	42
Hire of heavy machinery payable	-	780
Advances received	162	-
Advances given	922	600
Rental receivable	28	46
Interest income	19	1

The Directors of the Company are of the opinion that the above transactions were entered into in the normal course of business and the terms of which have been established on a negotiated basis.

Non-trade balances with subsidiaries and associates are disclosed in Notes 9 and 16 to the financial statements.

30. Financial instruments

30.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Loans and receivables (L&R);
(b) Available-for-sale financial assets (AFS); and
(c) Other financial liabilities measured at amortised cost (OL).

	Carrying amount RM	L&R RM	AFS RM
2012			
Financial assets			
Group			
Other investments	753,915	-	753,915
Trade and other receivables	29,338,348	29,338,348	-
Cash and cash equivalents	2,006,039	2,006,039	-
	32,098,302	31,344,387	753,915

30. Financial instruments (continued)

30.1 Categories of financial instruments (continued)

	Carrying amount RM	L&R RM	AFS RM
2012			
Financial assets			
Company			
Other investments	101,282	-	101,282
Trade and other receivables	12,513,492	12,513,492	-
Cash and cash equivalents	9,874	9,874	-
	12,624,648	12,523,366	101,282
2011			
Financial assets			
Group			
Other investments	121,412	-	121,412
Trade and other receivables	50,764,195	50,764,195	-
Cash and cash equivalents	4,579,089	4,579,089	-
	55,464,696	55,343,284	121,412
Company			
Other investments	101,282	-	101,282
Trade and other receivables	14,804,719	14,804,719	-
Cash and cash equivalents	1,171	1,171	-
	14,907,172	14,805,890	101,282

2012	Carrying amount RM	OL RM
Financial liabilities		
Group		
Loans and borrowings	42,099,592	42,099,592
Trade and other payables	17,564,205	17,564,205
	59,663,797	59,663,797
Company		
Trade and other payables	934,174	934,174

30. Financial instruments (continued)

30.1 Categories of financial instruments (continued)

2011	Carrying amount RM	OL RM
Financial liabilities		
Group		
Loans and borrowings	40,009,582	40,009,582
Trade and other payables	26,197,958	26,197,958
	66,207,540	66,207,540
Company		
Trade and other payables	2,110,562	2,110,562

30.2 Net gains and losses arising from financial instruments

	Group 2012 RM	Company 2012 RM	Group 2011 RM	Company 2011 RM
Net gain/(loss) arising on :				
Loans and receivables	(11,394,615)	126,975	47,090	45,974
Available-for-sale financial assets				
- recognised in equity	(42,569)	-	(160)	-
- recognised in profit or loss	1,435	-	(64,743)	(66,403)
Financial liabilities measured at amortised cost	(2,313,205)	(74,501)	(2,233,341)	(22,438)
	(13,748,954)	52,474	(2,251,154)	(42,867)

30.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments :

- Credit risk
- Liquidity risk
- Market risk

30. Financial instruments (continued)

30.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and investment securities. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally, credit evaluations are performed on customers requiring credit at managements' discretion.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 120 days, which are deemed to have higher credit risk, are monitored individually.

Impairment losses

The ageing of trade receivables as at the end of the reporting period was :

Group	Gross RM	Individual impairment RM	Collective impairment RM	Net RM
2012				
Not past due	12,907,041	-	-	12,907,041
Past due 1 - 30 days	5,165,776	-	(11,052)	5,154,724
Past due 31 - 120 days	5,924,661	(114,725)	(61,750)	5,748,186
Past due more than 120 days - 1 year	4,257,079	(2,672,090)	(1,496)	1,583,493
Past due more than 1 year	10,788,019	(8,462,288)	(375,996)	1,949,735
	39,042,576	(11,249,103)	(450,294)	27,343,179

30. Financial instruments (continued)

30.4 Credit risk (continued)

Group 2011	Gross RM	Individual impairment RM	Collective impairment RM	Net RM
Not past due	20,780,561	-	-	20,780,561
Past due 1 - 30 days	10,869,118	-	-	10,869,118
Past due 31 - 120 days	6,572,143	-	-	6,572,143
Past due more than 120 days - 1 year	4,921,590	-	-	4,921,590
Past due more than 1 year	6,401,998	(489,187)	(92,448)	5,820,363
	49,545,410	(489,187)	(92,448)	48,963,775

The movements in the allowance for impairment losses of trade receivables during the financial year were :

	Group 2012 RM	Group 2011 RM
At 1 April	581,635	1,823,982
Impairment loss recognised	11,180,453	590,979
Impairment loss written back	(54,691)	(90,141)
Impairment loss written off	(8,000)	(1,743,185)
At 31 March	11,699,397	581,635

At 31 March 2012, there were no significant concentrations of credit risk other than amounts due from two customers totalling RM5,807,376 (2011 : three customers totalling RM23,365,844) which represent 22% (2011 : 50%) of total receivables of the Group.

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Company is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

30. Financial instruments (continued)

30.4 Credit risk (continued)

Financial guarantees (continued)

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM36,805,884 (2011: RM34,275,856) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Inter company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Impairment losses

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable. The Company does not specifically monitor the ageing of the advances to the subsidiaries as the advances are repayable on demand.

30.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

30. Financial instruments (continued)

30.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments :

Group	Carrying amount RM	Contractual interest rates %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
2012							
Non-derivative financial liabilities							
Term loans	15,752,113	4.85 - 7.85	16,789,111	3,626,680	2,597,862	5,424,579	5,139,990
Finance lease liabilities	4,947,889	2.50 - 5.22	5,405,218	2,222,729	3,182,489	-	-
Revolving credits	9,711,878	6.11 - 6.77	9,711,878	9,711,878	-	-	-
Bank overdrafts	7,161,712	7.30 - 8.60	7,161,712	7,161,712	-	-	-
Bankers' acceptances	4,526,000	3.23 - 4.83	4,526,000	4,526,000	-	-	-
Trade and other payables							
- Interest bearing	967,000	6.60	967,000	967,000	-	-	-
- Non- interest bearing	16,597,205	-	16,597,205	16,597,205	-	-	-
	59,663,797		61,158,124	44,813,204	5,780,351	5,424,579	5,139,990

30. Financial instruments (continued)

30.5 Liquidity risk (continued)

Group	Carrying amount RM	Contractual interest rates %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
2011							
Non-derivative financial liabilities							
Term loans	7,198,761	6.55 - 7.80	7,974,076	2,968,414	2,206,308	2,799,354	-
Finance lease liabilities	7,136,636	2.23 - 4.00	7,965,050	3,096,426	1,897,552	2,971,072	-
Revolving credits	9,710,915	3.11 - 6.36	9,710,915	9,710,915	-	-	-
Bank overdrafts	1,913,270	7.05 - 7.80	1,913,270	1,913,270	-	-	-
Bankers' acceptances	14,050,000	2.98 - 3.57	14,050,000	14,050,000	-	-	-
Trade and other payables							
- Interest bearing	1,250,000	10.00	1,250,000	1,250,000	-	-	-
- Non- interest bearing	24,947,958	-	24,947,958	24,947,958	-	-	-
	66,207,540		67,811,269	57,936,983	4,103,860	5,770,426	-
Company							
2012							
Trade and other payables	934,174	-	934,174	934,174	-	-	-
2011							
Trade and other payables	2,110,562	-	2,110,562	2,110,562	-	-	-

30. Financial instruments (continued)

30.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

30.6.1 Currency risk

The Group is exposed to foreign currency risk on minimal sales and purchases, advances that are denominated in a currency other than the respective functional currency of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar (USD) and Thai Baht (THB).

Risk management objectives, policies and processes for managing the risk

The Group does not have significant exposure to foreign currency risk as their transactions and balances are substantially denominated in Ringgit Malaysia (RM). The Group does not transact in derivative instruments.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in	
	USD	**THB**
Group	**RM**	**RM**
2012		
Trade receivables	229,230	89,294
Other receivables	-	1,756,535
Cash and bank balances	46,434	110
Trade payables	(25,468)	(574,739)
Net exposure	250,196	1,271,200

30. Financial instruments (continued)

30.6 Market risk (continued)

30.6.1 Currency risk (continued)

Group	Denominated in USD RM	Denominated in THB RM
2011		
Trade receivables	139,491	196,921
Other receivables	-	2,130,918
Cash and bank balances	-	110
Trade payables	-	(719,394)
Net exposure	139,491	1,608,555

Currency risk sensitivity analysis

A 5% strengthening of the Ringgit Malaysia (RM) against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss RM
2012	
Group	
USD	(9,383)
THB	(47,670)
2011	
Group	
USD	(5,232)
THB	(60,321)

A 5% weakening of the Ringgit Malaysia (RM) against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

30. Financial instruments (continued)

30.6 Market risk (continued)

30.6.2 Interest rate risk

The Group's investments in fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing loans and borrowings and interest earning deposits. The Group's policy is to borrow principally on the floating basis but to retain certain portion of fixed rate debt. The objectives for the mix between fixed and floating rate loans and borrowings are set to reduce the impact of an upward change in interest rates while enabling benefits to be enjoyed if interest rates fall.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2012	**2011**
	RM'000	**RM'000**
Fixed rate instruments		
Financial assets	166	1,161
Financial liabilities	(6,419)	(8,387)
	(6,253)	(7,226)
Floating rate instruments		
Financial liabilities	(36,648)	(32,873)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

30. Financial instruments (continued)

30.6 Market risk (continued)

30.6.2 Interest rate risk (continued)

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Profit or loss	
2012	**100 bp increase RM'000**	**100 bp decrease RM'000**
Group		
Floating rate instruments	(275)	275
2011		
Group		
Floating rate instruments	(247)	247

30.7 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair value of the Group's investment in quoted shares is shown in Note 7.

The fair values of financial assets that are quoted in an active market are determined by reference to their quoted closing bid price at the end of the reporting period.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows :

	2012		2011	
	Carrying amount RM'000	**Fair value RM'000**	**Carrying amount RM'000**	**Fair value RM'000**
Group				
Fixed rated term loans	504	504	-	-
Finance lease liabilities	4,948	* 4,948	7,137	* 7,137

30. Financial instruments (continued)

30.7 Fair value of financial instruments (continued)

* The fair values of these fixed interest rate financial instruments are determined by discounting the relevant cash flows using current interest rates for similar financial instruments at the end of the reporting date. Since the current interest rates do not significantly differ from the intrinsic rate of this financial instrument, the fair values of these financial instruments therefore, closely approximate its carrying amount as at the end of the reporting date.

30.7.1 Fair value hierarchy

Comparative figures have not been presented for 31 March 2011 by virtue of the exemption provided in paragraph 44G of FRS 7.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2012				
Financial assets				
Investment in quoted shares	653	-	-	653

31. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

There were no changes in the Group's approach to capital management during the financial year.

32. Material litigations

(1) On 13 January 2012, See Heng Company Sdn. Bhd. ("See Heng"), a wholly-owned subsidiary of the Company, has served a Writ of Summons together with a Statement of Claims on Ga Yee Furniture Sdn Bhd ("Ga Yee"). See Heng is claiming for a sum of RM3,416,938, interest, costs and such further or other reliefs or orders as the Court deems fit. The outstanding sum was in respect of invoices due for goods sold and delivered. See Heng had during the year entered into various trading transactions to purchase furniture parts for subsequent sale to Ga Yee. Ga Yee has since defaulted in settlement of invoices due and the Directors believe it is in the Company's interest to immediately institute legal proceedings to protect its interests.

The solicitors of See Heng are of the opinion that See Heng has a good case to recover the above outstanding sum. An allowance for impairment loss for the entire sum claimed of RM3,416,938 has been authorised for inclusion in the audited financial statements ended 31 March 2012.

On 8 February 2012, Ga Yee had in their defence denied having any outstanding debt due to See Heng and filed a counterclaim against See Heng for RM200,000 for goods supplied allegedly not according to specifications.

On 9 March 2012, the learned Deputy Registrar has fixed 27 March 2012 for further case management to enable See Heng (the "Plaintiff") to file Summary Judgement application and for Ga Yee (the "Defendant") to file an application to amend their Statement of Defence.

On 4 May 2012, the Court has fixed 17 May 2012 for hearing of the Defendant's application to amend their Statement of Defence and Counter Claim and further directed both parties' solicitors to file and exchange respective outline written submissions on or before 15 May 2012.

On 16 July 2012, the learned Judge has allowed the Defendant's application to amend their Statement of Defence and Counter Claim with cost to Plaintiff.

The losses expected, if any, will be to the extent of the impairment amount, counterclaim amount, interest, legal costs and other reliefs deemed fit by the Court.

The Court has fixed the matter for further case management on 17 August 2012.

(2) On 18 July 2012, Agriplex (M) Sdn. Bhd. ("Agriplex"), a 70% owned subsidiary of the Company, has served a Writ of Summons and Statement of Claim against CHH Pacific Paper Sdn. Bhd. ("CHH"). Agriplex is claiming for a sum of RM7,763,515, interest, costs and such further or other reliefs or orders as the Court deems fit.

Agriplex has provided transportation and carrier services for CHH Pacific for a period of 3 years commencing 1 October 2009 through 30 September 2012 pursuant to the Transport Agreement dated 22 July 2009 signed between Agriplex and CHH.

32. Material litigations (continued)

The solicitors of Agriplex are of the opinion that Agriplex has a good case to recover the outstanding sum. An allowance for impairment loss for the entire sum claimed of RM7,763,515 has been authorised for inclusion in the audited financial statements ended 31 March 2012. The losses expected, if any, will be to the extent of the impairment amount less incidental costs.

The legal case against CHH will be fixed for case management at the High Court on 13 August 2012.

33. Significant events during the year

(1) During the year, SH Global Freight Sdn. Bhd. ("SHGF") issued 100,000 ordinary shares at par for which the Company subscribed 75,000 ordinary shares of RM1.00 each for a total consideration of RM75,000, representing 75% equity interest in SHGF;

(2) The Company via its wholly-owned subsidiary, Limsa Ekuiti Sdn. Bhd. has acquired 9 contiguous parcels of land from Progerex Sdn. Bhd. for a total purchase consideration of RM12.2 million. The transaction was completed during the financial year; and

(3) Pursuant to the scheme of arrangement under Section 176 of the Companies Act, 1965 between Megasteel Sdn Bhd ("Megasteel") and its unsecured trade creditors who is each owed an overdue amount of RM500,000 and above as at 30 April 2011 (the "Scheme Creditors"), the Scheme Creditors will be settled by way of a combination of cash and shares.

Under the Proposed Share Settlement Scheme, a subsidiary, Agriplex (M) Sdn Bhd ("Agriplex"), has received one (1) new Lion Corporation Berhad Share for every RM1.00 of the overdue amount, amounting to 1,383,344 shares of RM1.00 each. On the date of transfer, the fair value of shares amounted to RM691,672.

Under the Proposed Cash Settlement Scheme, the subsidiary will receive a deferred cash payment of RM0.20 for every RM1.00 of the overdue amount, amounted to RM276,699 payable within five market days from the completion of the proposed investment by new investors or 31 December 2012, whichever is earlier.

As at 30 April 2011, the amount owing from Megasteel to Agriplex amounted to RM1,383,344 and accordingly, the shortfall of RM414,973 has been written off during the year.

34. Subsequent event

On 25 July 2012, See Hup Transport Company Sdn Bhd, a wholly owned subsidiary of the Company, has entered into a sale and purchase agreement with Penang Development Corporation for the acquisition of a parcel of vacant industrial land for a cash consideration of RM3,114,547.

35. Supplementary information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company as at 31 March, into realised and unrealised profits/(losses), pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows :

	2012	
	Group RM	**Company RM**
Total retained earnings/(accumulated losses) of the Company and its subsidiaries :		
- realised	(2,342,652)	(5,523,443)
- unrealised	(3,628,217)	-
	(5,970,869)	(5,523,443)
Total share of retained earnings from associates :		
- realised	1,556,451	-
- unrealised	(147,250)	-
	(4,561,668)	(5,523,443)
Less : Consolidation adjustments	1,000,078	-
Total accumulated losses	(3,561,590)	(5,523,443)

	2011	
	Group RM	**Company RM**
Total retained earnings of the Company and its subsidiaries :		
- realised	15,767,031	1,820,084
- unrealised	(3,711,141)	-
	12,055,890	1,820,084
Total share of retained earnings from associates :		
- realised	1,562,274	-
- unrealised	(149,210)	-
	13,468,954	1,820,084
Less : Consolidation adjustments	(4,332,372)	-
Total retained earnings	9,136,582	1,820,084

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

See Hup Consolidated Berhad

(Company No. 391077 - V)
(Incorporated in Malaysia)

and its subsidiaries

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 8 to 91 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 at 31 March 2012 and of their financial performance and cash flows for the year ended on that date.

In the opinion of the Directors, the information set out in Note 35 of page 92 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

....
Lee Chor Min

....
Lee Hean Huat

Penang,

Date : 30 JUL 2012

See Hup Consolidated Berhad
(Company No. 391077 - V)
(Incorporated in Malaysia)
and its subsidiaries

Statutory declaration pursuant to Section 169(16) of the Companies Act, 1965

I, **Lim Soon Hock**, the officer primarily responsible for the financial management of See Hup Consolidated Berhad, do solemnly and sincerely declare that the financial statements set out on pages 8 to 92 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Georgetown in the State of Penang on 30 JUL 2012

....
Lim Soon Hock

Before me :

Penang

PESURUHJAYA SUMPAH
No: P 163
Nama: CHEAH BENG SUN
MALAYSIA

No 27, Jalan Zainal Abidin
10400 Pulau Pinang

KPMG

KPMG (Firm No. AF 0758)
Chartered Accountants
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Independent auditors' report to the members of See Hup Consolidated Berhad

(Company No. 391077 - V)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of See Hup Consolidated Berhad, which comprise the statements of financial position as at 31 March 2012 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 8 to 91.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

KPMG, a partnership established under Malaysian law and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

KPMG

Opinion

In our opinion, the financial statements have been properly 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 March 2012 and of their financial performance and cash flows for the year then ended.

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 accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.

c) We are satisfied that the accounts 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 accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 35 on page 92 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not part of the financial statements. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

KPMG

Other Matters

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

KPMG	**Ooi Kok Seng**
AF 0758	2432/05/13 (J)
Chartered Accountants	Chartered Accountant

Date : 30 July 2012

Penang

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2012

	(Unaudited) As at 30-Jun-12 RM'000	(Audited) As at 31-Mar-12 RM'000
Assets		
Property, plant and equipment	49,160	50,206
Investment properties	15,626	15,626
Investment in associates	4,587	4,466
Other financial assets	559	754
Goodwill on consolidation	499	499
Total non-current assets	70,431	71,551
Trade and other receivables	33,826	31,270
Trading inventories, at cost	-	251
Current tax assets	615	769
Cash and cash equivalents	2,094	2,006
Total current assets	36,535	34,296
Total assets	106,966	105,847
Equity		
Share capital	41,268	41,268
Reserves	(1,075)	(596)
Total equity attributable to shareholders of the Company	40,193	40,672
Non-controlling interests	1,030	1,467
Total equity	41,223	42,139
Liabilities		
Borrowings	14,377	15,515
Deferred tax liabilities	3,890	3,890
Total Non-current laibilities	18,267	19,405
Trade and other payables	18,916	17,564
Borrowings	28,560	26,584
Current tax liabilities	-	155
Total current liabilities	47,476	44,303
Total liabilities	65,743	63,708
Total equity and liabilities	106,966	105,847
Net assets per share attributable to ordinary equity holders of the parent (sen)	97.40	98.56

The condensed consolidated statements of financial position should be read in conjunction with the annual financial report for the year ended 31 March 2012.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2012

(The figures have not been audited)

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		Current Year Quarter 30-Jun-12 RM'000	Preceding Year Corresponding Quarter 30-Jun-11 RM'000	**Current Year To date 30-Jun-12 RM'000**	Preceding Year To date 30-Jun-11 RM'000
Revenue		**25,469**	45,347	**25,469**	45,347
Operating (loss)/profit		**(313)**	1,561	**(313)**	1,561
Finance costs		**(558)**	(357)	**(558)**	(357)
Share of profit of associates		**121**	60	**121**	60
(Loss)/Profit before taxation	**16**	**(750)**	1,264	**(750)**	1,264
Tax expense	**17**	**(220)**	(458)	**(220)**	(458)
(Loss)/Profit for the period		**(970)**	806	**(970)**	806
Attributable to:					
Equity holders of the parent		**(517)**	904	**(517)**	904
Non-controlling interests		**(453)**	(98)	**(453)**	(98)
		(970)	806	**(970)**	806
Earnings per share - sen					
- Basic		(1.25)	2.19	(1.25)	2.19
- Diluted		(1.25)	2.19	(1.25)	2.19

The condensed consolidated income statement should be read in conjunction with the annual financial report for the year ended 31 March 2012.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2012

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 30-Jun-12 RM'000	Preceding Year Corresponding Quarter 30-Jun-11 RM'000	**Current Year To date 30-Jun-12 RM'000**	Preceding Year To date 30-Jun-11 RM'000
(Loss)/Profit for the period	**(970)**	806	**(970)**	806
Other comprehensive income				
Net fair value loss on available-for-sale financial assets	**(195)**	-	**(195)**	-
Reclassification adjustment on impairment of available-for-sale financial assets	**249**		**249**	
Other comprehensive income for the period	**54**	-	**54**	-
Total comprehensive income for the period	**(916)**	806	**(916)**	806
Attributable to:				
Equity holders of the parent	**(479)**	904	**(479)**	904
Non-controlling interests	**(437)**	(98)	**(437)**	(98)
	(916)	806	**(916)**	806

The condensed consolidated statements of comprehensive income should be read in conjunction with the annual financial report for the year ended 31 March 2012.

OUR UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE (3) MONTHS FPE 30 JUNE 2012 *(Cont'd)*

SEE HUP CONSOLIDATED BERHAD
(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2012

	← Non-distributable				→	Distributable			
	Share capital RM'000	Share Premium RM'000	Property Revaluation Reserves RM'000	Fair Value Reserves RM'000	Share Option Reserves RM'000	Retained Profits RM'000	Shareholders' Equity RM'000	Non-controlling interests RM'000	Total Equity RM'000
At 1 April 2012	41,268	2,397	559	(44)	54	(3,562)	40,672	1,467	42,139
Loss on available-for-sale financial assets	-	-	-	(137)	-	-	(137)	(58)	(195)
Reclassification adjustment on impairment of available-for-sale financial assets	-	-	-	175	-	-	175	74	249
Other comprehensive income for the period	-	-	-	38	-	-	38	16	54
Loss for the period	-	-	-	-	-	(517)	(517)	(453)	(970)
Total comprehensive income for the period	-	-	-	38	-	(517)	(479)	(437)	(916)
At 30 June 2012	41,268	2,397	559	(6)	54	(4,079)	40,193	1,030	41,223
At 1 April 2011	40,678	2,397	559	(1)	60	9,136	52,829	4,464	57,293
Total comprehensive income for the period	-	-	-	-	-	904	904	(98)	806
Issue of shares	590	-	-	-	-	-	590	-	590
Issue of shares to minority interest	-	-	-	-	-	-	-	10	10
Dividend paid	-	-	-	-	-	(1,671)	(1,671)	-	(1,671)
At 30 June 2011	41,268	2,397	559	(1)	60	8,369	52,652	4,376	57,028

The condensed consolidated statements of changes in equity should be read in conjunction with the annual financial report for the year ended 31 March 2012.

SEE HUP CONSOLIDATED BERHAD
(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2012

	30-Jun-12 RM'000	30-Jun-11 RM'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(750)	1,264
Adjustment for:		
Depreciation	2,125	2,378
Gain on disposals of property, plant and equipment	(328)	(110)
Interest expense	558	357
Interest income	(16)	(46)
Impairment loss on available-for-sale financial assets	249	-
Share of results of associates	(121)	(60)
Operating profits before working capital changes	1,717	3,783
Changes in working capital:		
Inventories	251	-
Receivables and prepayment	(2,556)	(2,591)
Payables	1,352	(3,470)
Income tax paid	(222)	(182)
Income tax refunded	1	-
Interest paid	(558)	(357)
Net cash used in operating activities	(15)	(2,817)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,007)	(40)
Proceeds from disposal of property, plant and equipment	336	141
Interest received	16	46
(Increase)/Decrease in pledged deposits placed with licensed banks	(7)	997
Net cash used in investing activities	(662)	1,144
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(1,671)
(Decrease)/Increase in borrowings	1,738	1,944
Drawndown of term loans	859	(13)
Proceeds from issuance of shares	-	590
Proceeds from issuance of shares in subsidiary company from non-controlling interests	-	10
Repayment of term loans	(800)	(686)
Repayment of hire purchase and lease liabilities	(546)	(920)
Net cash from/(used in) financing activities	1,251	(746)
Net (decrease)/increase and decrease in cash and cash equivalents	574	(2,419)
Cash and cash equivalents at beginning of period	(5,321)	1,505
Cash and cash equivalents at end of period	(4,747)	(914)
Cash and cash equivalent consist of:		
Cash an bank balances	1,921	3,699
Bank overdrafts	(6,668)	(4,613)
	(4,747)	(914)

The condensed consolidated statements of cash flows should be read in conjunction with the annual financial report for the year ended 31 March 2012.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

1 Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, "Interim Financial Reporting" and the additional disclosure requirements as set out in Part A of Appendix 9B of the Revised Listing Requirements and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 March 2012.
The accounts of the Group are prepared using the same accounting policies and method of computation as those used in the preparation of the annual financial statement for the year ended 31 March 2012 except for the effect on the adoption of new FRSs, amendments and IC interpretation that are mandatory for the Group for the financial year beginning on 1 April 2012. The adoption of these FRSs, amendments and IC Interpretations do not have a material impact on the interim financial information of the Group.

2 Qualification of audit report of the preceding annual financial statements

There were no qualifications on the audit report of the financial statements for the year ended 31 March 2012.

3 Seasonal or cyclical factors

The Group's performance in the current quarter and current year to date was not affected by any seasonal or cyclical factors.

4 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flow during the quarter and current year to date.

5 Changes in estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

6 Debts and equity securities

There were no issuance of debt or equity securities during the quarter under review.

7 Dividend paid

There were no dividend paid during the quarter under review.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

8 Segmental information

Segment information is presented in respect of the Group's business segment.

Analysis by activity	Transportation and logistics services RM'000	Trading RM'000	Others RM'000	Total RM'000
Revenue				
Total revenue	21,185	4,219	65	25,469
Inter-segment revenue	-	-	-	-
	21,185	4,219	65	25,469
Result				
Segment result	(360)	198	(167)	(329)
Interest income	16	-	-	16
Finance costs	(487)	(71)	-	(558)
Share of profit of associates	121	-	-	121
Loss before taxation	(710)	127	(167)	(750)
Tax expense	(170)	(50)	-	(220)
Loss for the period	(880)	77	(167)	(970)
Assets				
Segment assets	102,995	239	3,559	106,793
Interest-earning assets	173	-	-	173
	103,168	239	3,559	106,966

9 Property, plant and equipment

The property, plant and equipment are stated at cost/valuation less accumulated depreciation and accumulated impairment losses, if any.

There were no material write-down in property, plant and equipment during the financial period under review.

The valuation of property, plant and equipment has been brought forward without any amendments from the previous annual financial statements.

10 Events after the end of the reporting period

There were no material events after the end of the reporting period.

11 Changes in composition of the Group

There are no changes to the composition of the Group during the quarter under review.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

12 Changes in contingent liabilities/contingent assets

There were no contingent liabilities/assets as at the interim reporting date.

13 Review of performance of current quarter and current year to date

Review of Performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 30 June 2012 RM'000	Preceding Year Corresponding Quarter 30 June 2011 RM'000	Current Year To Date 30 June 2012 RM'000	Preceding Year To Date 30 June 2011 RM'000
Revenue				
Transportation and logistics services	21,185	24,580	21,185	24,580
Trading	4,219	20,728	4,219	20,728
Others	65	39	65	39
	25,469	45,347	25,469	45,347
(Loss)/Profit before taxation				
Transportation and logistics services	(710)	860	(710)	860
Trading	127	445	127	445
Others	(167)	(41)	(167)	(41)
	(750)	1,264	(750)	1,264

Current Year Quarter/To Date Vs Preceding Year corresponding Quarter/To Date

Group revenue is lower at RM25.5 million in the current year to date compared to RM45.3 million in the preceding year to date due to significant drop in trading activities and also slightly lower reported earnings in the transportation and logistics servcies segment leading to the Group reporting a loss before tax of RM750,000. The loss for the period under review was partially contributed by an impairment loss of RM249,000 on an investment by a susidiary and higher interest cost on borrowings to finance the purchase of a piece of property.

14 Prospects for the remaining quarters

Barring any unforeseen circumstances, the overall financial performance of the Group is expected to improve taking into consideration of the current economic environment and measures undertaken by the management to enhance cost and credit control.

15 Profit forecast

Not applicable as no profit forecast was published.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

16 (Loss)/Profit before tax

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year Quarter 30 June 2012 RM'000	Preceding Year Corresponding Quarter 30 June 2011 RM'000	Current Year To Date 30 June 2012 RM'000	Preceding Year To Date 30 June 2011 RM'000
(Loss)/Profit before taxation is arrived at after charging:-				
Depreciation of property plant and equipment	2,125	2,378	2,125	2,378
Interest expense	558	357	558	357
Impairment loss on available-for-sale financial assets	249	-	249	-
Realised loss on foreign exchange	15	1	15	1
and crediting:-				
Gain on disposal of property, plant and equipment	328	110	328	110
Interest income	16	46	16	46

17 Tax income/(expense)

	Current Year Quarter 30-Jun-12 RM'000	Preceding Year Corresponding Quarter 30-Jun-11 RM'000	**Current Year To date 30-Jun-12 RM'000**	Preceding Year To date 30-Jun-11 RM'000
Current tax expense				
- Current period	**220**	458	**220**	458
- Prior years		-		-
	220	458	**220**	458
Deferred taxation				
- Current period		-		-
- Prior years		-		-
	-	-	-	-
	220	458	**220**	458

The tax charge for the period is attributable to certain profit making subsidiaries.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

18 Retained profits

	As at 30-Jun-12 RM'000	As at 31-Mar-12 RM'000
Total retained profit of See Hup Consolidated Berhad and its subsidiaries		
-Realised	(3,433)	(1,879)
-Unrealised	(3,628)	(4,030)
	(7,061)	(5,909)
Total share of retained profits from associated companies		
-Realised	1,862	1,729
-Unrealised	(147)	(147)
	(5,346)	(4,327)
Less : Consolidation adjustments	1,267	857
	(4,079)	(3,470)

19 Status of corporate proposals announced

Save as those corporate proposals announced on 1 August 2012, there were no other corporate proposals announced but not completed as at 27 August 2012 (the latest practicable date which is not earlier than 7 days from the date of this quarter report).

20 Group borrowings and debts securities

	As at 30-Jun-12 RM'000
Current	
- Secured	26,508
- Unsecured	2,052
	28,560
Non-current	
- Secured	3,675
- Unsecured	10,702
	14,377

The above borrowings are denominated in Ringgit Malaysia.

SEE HUP CONSOLIDATED BERHAD
(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

21 Changes in material litigation

See Heng Company Sdn Bhd ("See Heng"), a 100% owned subsidiary of See Hup, had on 13 January 2012 served, via its solicitors by way of registered post, a Writ of Summons together with a Statement of Claims on Ga Yee Furniture Sdn Bhd ("Ga Yee").

See Heng is claiming for a sum of RM3,416,937.84, interest, costs and such further or other reliefs or orders as the Court deems fit. The outstanding sum was in respect of invoices due for goods sold and delivered. See Heng had during the year entered into various trading transactions to purchase furniture parts for subsequent sale to Ga Yee. Ga Yee has since defaulted in settlement of invoices due and the Directors believe it is in the Company's interest to immediately institute legal proceedings to protect its interests.

The solicitors of See Heng are of the opinion that See Heng has a good case to recover the above outstanding sum. Notwithstanding, the Directors recommend that an allowance for impairment loss for the entire sum claimed be made in the reporting quarter ended 31 December 2011. The litigation will not have any impact on the operations of the Group. The losses expected, if any, will be to the extent of the impairment amount plus legal costs.

The matter is now fixed for trial on 5 and 6 December 2012.

Agriplex (M) Sdn Bhd ("Agriplex"), a 70% owned subsidiary of See Hup, had on 18 July 2012 served, via its solicitors by way of registered post, a Writ of Summons together with a Statement of Claims against CHH Pacific Paper Sdn. Bhd ("CHH Pacific").

Agriplex has provided transportation and carrier services for CHH Pacific for a period of 3 years commencing 1 October 2009 through 30 September 2012 pursuant to the Transport Agreement dated 22 July 2009 ("Transport Agreement") signed between Agriplex and CHH Pacific.

Agriplex claim that CHH Pacific:

(a) had failed or refused to pay outstanding amounts on invoices issued by Agriplex; and

(b) default on clause 3.2 of the Transport Agreement and failed or refused to pay monthly minumum charge from month of May 2011 until May 2012

Agriplex claim that CHH Pacific for the following relief:

1. outstanding amount of RM7,763,515.22 together with interest at 4% per annum; and

2. outstanding monthly minimum totalling RM1,888,810.00 together with interest at 4% per annum; and

3. costs; and

4. further or other reliefs as the High Court deems fit.

The solicitor of Agriplex are of the opinion has a strong case to recover the outstanding sum. An allowance for impairment loss for the entire sum claimed of RM7,763,515.22 has been authorised for inclusion in the audited financial statements ended 31 March 2012.

The losses expected, if any, will be to the extent of the impairment amount less incidental costs.

The matter is now fixed for case management on 21 September 2012.

SEE HUP CONSOLIDATED BERHAD

(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 JUNE 2012

22 Earnings per share

The earnings per share are calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average numbers of shares in issue during the period as follows:

	Weighted Average No. of Shares	
	Current Year Quarter 30-Jun-12 '000	Current Year To date 30-Jun-11 '000
For computing basic earnings per share	41,268	41,268
No. of shares under ESOS deemed to have been issued for no consideration	-	-
For computing diluted earnings per share	41,268	41,268

BY ORDER OF THE BOARD

Lee Chor Min
Group Managing Director

Dated this 30th day of August, 2012.

OUR PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]
9-C, Jalan Medan Tuanku, Medan Tuanku, 50300 Kuala Lumpur, Malaysia.
Tel: 03-2693 8837 Fax: 03-2693 8836 Website: www.sby.com.my E-mail: audit@sby.com.my
Member Firm Of Malaysian Institute Of Accountants

Date: 9 November 2012

The Board of Directors
See Hup Consolidated Berhad
18, Jalan Limbungan,
Off Jalan Chain Ferry,
12100 Butterworth,
Pulau Pinang.

Dear Sirs,

SEE HUP CONSOLIDATED BERHAD ("SHCB" OR "COMPANY")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

We have reviewed the Proforma Consolidated Statements of Financial Position of SHCB and its subsidiaries ("the Group") as at 31 March 2012 together with the accompanying notes thereon for which the Board of Directors of SHCB is solely responsible, as set out in the accompanying statements (which we have stamped for the purpose of identification). The Proforma Consolidated Statements of Financial Position have been prepared for illustrative purposes only for the inclusion in the Abridged Prospectus to Entitled Shareholders of SHCB to be dated 29 November 2012 in connection with the renounceable rights issue of shares with warrants and renounceable rights issue of irredeemable convertible unsecured loan stocks for the Group which form part of the corporate exercises undertaken by SHCB as follows:-

(i) Private placement of 5,600,000 new ordinary shares of RM1.00 each ("Placement Shares") together with 11,200,000 free Warrants ("Warrants") on the basis of two (2) free Warrants for every one (1) Placement Share subscribed, at an issue price of RM1.00 per Placement Share ("Private Placement of Shares with Warrants");

(ii) Renounceable rights issue of up to 9,261,520 new ordinary shares of RM1.00 each ("Rights Shares") together with up to 18,523,040 free Warrants at an issue price of RM1.00 per Rights Share on the basis of one (1) Rights Share together with two (2) free Warrants for every five (5) existing ordinary shares of RM1.00 each ("Shares") held, based on a minimum subscription level of 1,000,000 Rights Shares together with 2,000,000 free Warrants ("Rights Issue of Shares with Warrants");

(iii) Renounceable rights issue of up to RM23,153,800 nominal value of 5-year, 4.6% irredeemable convertible unsecured loan stocks ("ICULS") at 100% of its nominal value of RM0.10 each ("Rights ICULS") on the basis of RM1.00 nominal value of the Rights ICULS for every two (2) existing Shares held, based on a minimum subscription level of RM4,000,000 nominal value of Rights ICULS ("Rights Issue of ICULS");

(iv) Increase in the authorised share capital of SHCB from RM50,000,000 comprising 50,000,000 Shares to RM500,000,000 comprising 500,000,000 Shares ("Increase in Authorised Share Capital"); and

(v) Amendments to the Memorandum and Articles of Association of SHCB ("M&A") pursuant to the Increase in Authorised Share Capital ("M&A Amendments").

The Rights Issue of Shares with Warrants and the Rights Issue of ICULS are collectively referred to as the "Rights Issues".

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]

Basis of Opinion

We conducted our work in accordance with the Malaysian Approved Standards of Assurance, *ISAE 3000 – Assurance Engagements Other Than Audit or Review of Historical Information.* Our work consisted primarily of comparing the Proforma Consolidated Statements of Financial Position with the audited consolidated financial statements of the Group, considering the evidence supporting the adjustments and discussing the Proforma Consolidated Statements of Financial Position with the Directors of SHCB. Our work involved no independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Proforma Consolidated Statements of Financial Position have been properly compiled on the basis stated using financial statements prepared in accordance with Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies normally adopted by SHCB.

The audited financial statements of SHCB for the financial year ended 31 March 2012 were audited by another firm of Chartered Accountants and were reported upon by the auditors without any modification to the members of SHCB on 30 July 2012.

At the Company's Extraordinary General Meeting held on 9 November 2012, the Shareholders of SHCB had approved the above corporate exercises.

In our opinion,

(i) the Proforma Consolidated Statements of Financial Position as at 31 March 2012 which were prepared for illustrative purposes only, have been properly compiled on the basis set out in the accompanying notes to the Proforma Consolidated Statements of Financial Position using financial statements prepared in accordance with the Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies of the SHCB unless otherwise stated; and

(ii) the adjustments made to the information used in the preparation of the Proforma Consolidated Statements of Financial Position are appropriate for the purposes of preparing the Proforma Consolidated Statements of Financial Position.

We understand that this letter will be used solely for the purposes of inclusion in the Abridged Prospectus to Entitled Shareholders of SHCB in connection with the Rights Issues. As such, this letter should not be used for any purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this letter contrary to the aforesaid purpose.

Yours faithfully

Siew Boon Yeong & Associates
Firm No: AF 0660
Chartered Accountants

Siew Boon Yeong
Approved Number: 1321/7/14 (J)
Partner of Firm

SEE HUP CONSOLIDATED BERHAD ("SHCB")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012
MINIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Adjusted Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Proforma I After Private Placement of Shares with Warrants RM'000	Proforma II After Proforma I and Rights Issue of Shares with Warrants RM'000	Proforma III After Proforma II and Rights Issue of ICULS RM'000	Proforma IV After Proforma III and Full Exercise of the Warrants RM'000	Proforma V After Proforma IV and Full Conversion of the ICULS RM'000
ASSETS							
Non-current Assets							
Property, plant and equipment	50,206	50,206	50,206	50,206	50,206	50,206	50,206
Investment properties	15,626	15,626	15,626	15,626	15,626	15,626	15,626
Investment in associates	4,466	4,466	4,466	4,466	4,466	4,466	4,466
Other investments	754	754	754	754	754	754	754
Goodwill on consolidation	499	499	499	499	499	499	499
Deferred tax asset	-	-	-	-	193	193	-
	71,551	71,551	71,551	71,551	71,744	71,744	71,551
Current Assets							
Receivables, deposits and prepayments	31,270	31,270	31,270	31,270	31,270	31,270	31,270
Trading inventories, at cost	251	251	251	251	251	251	251
Current tax assets	769	769	769	769	769	769	769
Cash and cash equivalents	2,006	2,006	4,406	4,606	4,606	17,806	17,806
	34,296	34,296	36,696	36,896	36,896	50,096	50,096
Total Assets	105,847	105,847	108,247	108,447	108,640	121,840	121,647

Initialled For Identification Purpose Only

SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0660]

3

OUR PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON *(Cont'd)*

Initialled For Identification Purpose Only
SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0660)

SEE HUP CONSOLIDATED BERHAD ("SHCB")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012
MINIMUM SCENARIO (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Adjusted Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Proforma I After Private Placement of Shares with Warrants RM'000	Proforma II After Proforma I and Rights Issue of Shares with Warrants RM'000	Proforma III After Proforma II and Rights Issue of ICULS RM'000	Proforma IV After Proforma III and Full Exercise of the Warrants RM'000	Proforma V After Proforma IV and Full Conversion of the ICULS RM'000
EQUITY AND LIABILITIES							
Equity attributable to owners of the parent							
Share capital	41,268	41,268	46,868	47,868	47,868	61,068	65,068
Share premium	2,397	2,397	2,197	1,997	1,397	3,723	3,723
Share option reserve	54	381	381	381	381	381	381
Property valuation reserve	559	559	559	559	559	559	559
Warrant reserve	-	-	1,974	2,326	2,326	-	-
ICULS - equity portion	-	-	-	-	3,422	3,422	-
Fair value reserve	(44)	(44)	(44)	(44)	(44)	(44)	(44)
Accumulated losses	(3,562)	(3,889)	(5,863)	(6,215)	(6,215)	(6,215)	(6,215)
Total equity attributable to owners of the Company	40,672	40,672	46,072	46,872	49,694	62,894	63,472
Non-controlling interests	1,467	1,467	1,467	1,467	1,467	1,467	1,467
Total Equity	42,139	42,139	47,539	48,339	51,161	64,361	64,939
Non-Current Liabilities							
Loans and borrowings	15,515	15,515	12,515	11,915	8,515	8,515	8,515
Deferred tax liabilities	3,890	3,890	3,890	3,890	3,890	3,890	3,890
ICULS - liability portion	-	-	-	-	771	771	-
	19,405	19,405	16,405	15,805	13,176	13,176	12,405
Current Liabilities							
Payables and accruals	17,564	17,564	17,564	17,564	17,564	17,564	17,564
Loans and borrowings	26,585	26,585	26,585	26,585	26,585	26,585	26,585
Current tax liabilities	154	154	154	154	154	154	154
	44,303	44,303	44,303	44,303	44,303	44,303	44,303
Total Liabilities	63,708	63,708	60,708	60,108	57,479	57,479	56,708
Total Equity and Liabilities	105,847	105,847	108,247	108,447	108,640	121,840	121,647
Par value per ordinary share (RM)	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of shares ('000)	41,268	41,268	46,868	47,868	47,868	61,068	65,068
Net assets per share (RM)	0.99	0.99	0.98	0.98	1.04	1.03	0.98
Total borrowings (RM'000)*	42,100	42,100	39,100	38,500	35,871	35,871	35,100
Gearing ratio (times)	1.04	1.04	0.85	0.82	0.72	0.57	0.55

** Comprise of all interest bearing borrowings and liability portion of ICULS*

4

OUR PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON *(Cont'd)*

SEE HUP CONSOLIDATED BERHAD ("SHCB")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012
MAXIMUM SCENARIO

	Audited Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Adjusted Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Proforma I After Grant of ESOS Options and After Full Exercise of ESOS Options RM'000	Proforma II After Proforma I After Private Placement of Shares with Warrants RM'000	Proforma III After Proforma II and Rights Issue of Shares with Warrants RM'000	Proforma IV After Proforma III and Rights Issue of ICULS RM'000	Proforma V After Proforma IV and Full Exercise of the Warrants RM'000	Proforma VI After Proforma V and Full Conversion of the ICULS RM'000
ASSETS								
Non-current Assets								
Property, plant and equipment	50,206	50,206	50,206	50,206	50,206	50,206	50,206	50,206
Investment properties	15,626	15,626	15,626	15,626	15,626	15,626	15,626	15,626
Investment in associates	4,466	4,466	4,466	4,466	4,466	4,466	4,466	4,466
Other investments	754	754	754	754	754	754	754	754
Goodwill on consolidation	499	499	499	499	499	499	499	499
Deferred tax asset	-	-	-	-	-	1,115	1,115	-
	71,551	71,551	71,551	71,551	71,551	72,666	72,666	71,551
Current Assets								
Receivables, deposits and prepayments	31,270	31,270	31,270	31,270	31,270	31,270	31,270	31,270
Trading inventories, at cost	251	251	251	251	251	251	251	251
Current tax assets	769	769	769	769	769	769	769	769
Cash and cash equivalents	2,006	2,006	7,046	9,446	12,507	29,061	58,784	267,168
	34,296	34,296	39,336	41,736	44,797	61,351	91,074	299,458
Total Assets	105,847	105,847	110,887	113,287	116,348	134,017	163,740	371,009

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Chartered Accountants [AF: 0660]

5

OUR PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON *(Cont'd)*

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants [AF: 0648]

SEE HUP CONSOLIDATED BERHAD ("SHCB")
PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012
MAXIMUM SCENARIO (CONT'D)

	Audited Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Adjusted Consolidated Statements of Financial Position as at 31 March 2012 RM'000	Proforma I After Grant of ESOS Options and After Full Exercise of ESOS Options RM'000	Proforma II After Proforma I After Private Placement of Shares with Warrants RM'000	Proforma III After Proforma II and Rights Issue of Shares with Warrants RM'000	Proforma IV After Proforma III and Rights Issue of ICULS RM'000	Proforma V After Proforma IV and Full Exercise of the Warrants RM'000	Proforma VI After Proforma V and Full Conversion of the ICULS RM'000
EQUITY AND LIABILITIES								
Equity attributable to owners of the parent								
Share capital	41,268	41,268	46,308	51,908	61,169	61,169	90,892	322,430
Share premium	2,397	2,397	2,807	2,607	2,407	1,807	7,045	7,045
Share option reserve	54	381	-	-	-	-	-	-
Property valuation reserve	559	559	559	559	559	559	559	559
Warrant reserve	-	-	-	1,974	5,238	5,238	-	-
ICULS - equity portion	-	-	-	-	-	19,807	19,807	-
Fair value reserve	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(44)
Accumulated losses	(3,562)	(3,889)	(3,918)	(5,892)	(9,156)	(9,156)	(9,156)	(9,156)
Total equity attributable to owners of the Company	40,672	40,672	45,712	51,112	60,173	79,380	109,103	320,834
Non-controlling interests	1,467	1,467	1,467	1,467	1,467	1,467	1,467	1,467
Total Equity	42,139	42,139	47,179	52,579	61,640	80,847	110,570	322,301
Non-Current Liabilities								
Loans and borrowings	15,515	15,515	15,515	12,515	6,515	515	515	515
Deferred tax liabilities	3,890	3,890	3,890	3,890	3,890	3,890	3,890	3,890
ICULS - liability portion	-	-	-	-	-	4,462	4,462	-
	19,405	19,405	19,405	16,405	10,405	8,867	8,867	4,405
Current Liabilities								
Payables and accruals	17,564	17,564	17,564	17,564	17,564	17,564	17,564	17,564
Loans and borrowings	26,585	26,585	26,585	26,585	26,585	26,585	26,585	26,585
Current tax liabilities	154	154	154	154	154	154	154	154
	44,303	44,303	44,303	44,303	44,303	44,303	44,303	44,303
Total Liabilities	63,708	63,708	63,708	60,708	54,708	53,170	53,170	48,708
Total Equity and Liabilities	105,847	105,847	110,887	113,287	116,348	134,017	163,740	371,009
Par value per ordinary share (RM)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of shares ('000)	41,268	41,268	46,308	51,908	61,169	61,169	90,892	322,430
Net assets per share (RM)	0.99	0.99	0.99	0.98	0.98	1.30	1.20	1.00
Total borrowings (RM'000)*	42,100	42,100	42,100	39,100	33,100	31,562	31,562	27,100
Gearing ratio (times)	1.04	1.04	0.92	0.76	0.55	0.40	0.29	0.08

** Comprise of all interest bearing borrowings and liability portion of ICULS*

6

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

1. BASIS OF PREPARATION

The Proforma Consolidated Statements of Financial Position have been prepared in accordance with the Financial Reporting Standards in Malaysia and based on the audited Consolidated Statements of Financial Position of SHCB as at 31 March 2012. The Proforma Consolidated Statements of Financial Position have been prepared solely for illustrative purposes, to show the effect of the following:-

(i) Private Placement of Shares with Warrants;

(ii) Rights Issue of Shares with Warrants;

(iii) Rights Issue of ICULS;

(iv) Increase in Authorised Share Capital; and

(v) M&A Amendments;

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Hereinafter the above referred to as "Corporate Exercises".

The Proforma Consolidated Statements of Financial Position have been prepared based on the accounting policies and bases consistent with those normally adopted by SHCB in the preparation of its audited financial statements.

The Increase in Authorised Share Capital and the M&A Amendments do not have any effect to the Proforma Consolidated Statements of Financial Position.

1.1 The details of the Minimum and Maximum Scenarios are set out below:

(a) **Minimum Scenario**

Minimum scenario representing the scenario on the following assumptions:-

(i) none of the 5,040,000 options comprising the outstanding options granted and the remaining 146,000 options allowed to be granted under the Company's employee share option scheme ("ESOS Options") as at 9 November 2012 are exercise on or prior to the entitlement date of the Rights Issue of Shares with Warrants and the Rights Issue of ICULS;

(ii) minimum subscription level of 1,000,000 Rights Shares together with 2,000,000 Warrants; and

(iii) minimum subscription level of RM4,000,000 nominal value of Rights ICULS.

(b) **Maximum Scenario**

Maximum scenario representing the scenario on the following assumptions:-

(i) assuming issuance of 5,040,000 new Shares pursuant to full exercise of ESOS Options at RM1.00 per Share on or prior to the entitlement date of the Rights Issue of Shares with Warrants and Rights Issue of ICULS;

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

(ii) issuance of 9,261,520 new ordinary shares of RM1.00 each together with 18,523,040 Warrants;

(iii) issuance of RM23,153,800 nominal value of Rights ICULS; and

(iv) conversion ratio/rate of the ICULS, i.e. 1 unit of ICULS and 90 sen each for each ordinary share.

1.2 Fair value of Warrants

The allocated fair value of free Warrants is credited to a warrant reserve, which is non-distributable. The warrant reserve will be transferred to the share premium account upon the exercise of Warrants.

The Directors of SHCB have allocated an adjusted fair value of approximately RM0.176 per Warrant. The adjusted fair value of the Warrant is derived at using the Black-Scholes option pricing model. The assumptions used to arrive at this adjusted fair value are as follows:-

Exercise price	:	RM1.00
Time to expire	:	5 years
SHCB Shares at 26 July 2012	:	RM0.88
Volatility rate based on historical volatility of last 90 days	:	46.85%
Risk free rate	:	3.114%

1.3 Valuation of ICULS

ICULS is segregated into equity and liability components. The following fair value of the liability components of the ICULS is arrived at by discounting the yearly coupon payments over the tenure of 5 years at a discount rate of 6.20%, the weighted average cost of capital of SHCB.

	Minimum Scenario RM'000	Maximum Scenario RM'000
Liability components of the ICULS	771	4,462

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

The fair value of the ICULS equity components is determined based on the proceeds from the issuance of ICULS, net of the ICULS liability components and plus the deferred tax asset arising on the liability components.

	Minimum Scenario RM'000	Maximum Scenario RM'000
Proceeds from ICULS	4,000	23,154
Deferred tax asset arising on the liability components	193	1,115
	4,193	24,269
Less:		
ICULS - liability portion	771	4,462
ICULS - equity portion	3,422	19,807

2. ADJUSTMENTS TO STATEMENTS OF FINANCIAL POSITION

The adjustments incorporate the effects of subsequent event after 31 March 2012, namely 1,634,000 additional options granted under the ESOS Options ("Subsequent Event").

With the granting of ESOS Options, SHCB is expected to recognise the fair value of the ESOS Options in the profit or loss with the corresponding entry in the share option reserve. The Directors of SHCB have allocated a fair value of RM0.20 per ESOS Option. The fair value is derived at using Black-Scholes option pricing model. The assumptions used to arrive at this fair value are as follows:

Exercise price	:	RM1.00
Time to expire	:	3 years
SHCB Shares at 26 July 2012	:	RM0.88
Volatility rate based on historical volatility of last 90 days	:	46.85%
Risk free rate	:	2.936%

The Subsequent Event has the following financial impact on the Proforma Consolidated Statements of Financial Position of SHCB:-

	Increase/(Decrease) Effects on Total Equity RM'000
Accumulated losses	(327)
Share option reserve	327

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

3. MINIMUM SCENARIO

3.1 PROFORMA I

Proforma I incorporates the effects of Subsequent Event, the Private Placement of Shares with Warrants and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	3,000
Working capital	2,400
Estimated expenses for the Private Placement of Shares with Warrants(1)	200
	5,600

Note:
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share premium account.

The Private Placement of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and cash equivalents	2,400	-
Share capital	-	5,600
Share premium account	-	(200)
Warrant reserve	-	1,974
Accumulated losses	-	(1,974)
Loans and borrowings	-	(3,000)
	2,400	2,400

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

3.2 PROFORMA II

Proforma II incorporates the effects of Proforma I, the Rights Issue of Shares with Warrants and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	600
Working capital	200
Estimated expenses for the Rights Issue of Shares with Warrants[(1)]	200
	1,000

Note:
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share premium account.

The Rights Issue of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and cash equivalents	200	-
Share capital	-	1,000
Share premium account	-	(200)
Warrant reserve	-	352
Accumulated losses	-	(352)
Loans and borrowings	-	(600)
	200	200

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

3.3 PROFORMA III

Proforma III incorporates the effects of Proforma II, the Rights Issue of ICULS and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	3,400
Estimated expenses for the Rights Issue of ICULS(1)	600
	4,000

Note:
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share premium account.

The Rights Issue of ICULS has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Deferred tax asset	193	-
Share premium account	-	(600)
ICULS – equity portion	-	3,422
Loans and borrowings	-	(3,400)
ICULS – liability portion	-	771
	193	193

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

3.4 PROFORMA IV

Proforma IV incorporates the effects of Proforma III and assuming the full exercise of the Warrants.

The full exercise of Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Cash and cash equivalents	13,200	-
Share capital	-	13,200
Share premium account	-	2,326
Warrant reserve	-	(2,326)
	13,200	13,200

3.5 PROFORMA V

Proforma V incorporates the effects of Proforma IV and the full conversion of the ICULS by tendering ten (10) ICULS for one (1) new Share.

The full conversion of ICULS has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease) Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Deferred tax asset	(193)	-
Share capital	-	4,000
ICULS – equity portion	-	(3,422)
ICULS – liability portion	-	(771)
	(193)	(193)

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13

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

4. MAXIMUM SCENARIO

4.1 PROFORMA I

Proforma I incorporates the effects of Subsequent Event, assumes granting of the remaining 146,000 options allowed to be granted under the Company's ESOS and assumes that all the ESOS Options are exercised at an issue price of RM1.00 per Share on or prior to the entitlement date of the Rights Issue of Share with Warrants.

The full exercise of the ESOS Options has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and cash equivalents	5,040	-
Accumulated losses	-	(29)
Share capital	-	5,040
Share premium account	-	410
Share option reserve	-	(381)
	5,040	5,040

4.2 PROFORMA II

Proforma II incorporates the effects of Proforma I, the Private Placement of Shares with Warrants and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	3,000
Working capital	2,400
Estimated expenses for the Private Placement of Shares with Warrants[(1)]	200
	5,600

Note:
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share premium account.

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

The Private Placement of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and cash equivalents	2,400	-
Share capital	-	5,600
Share premium account	-	(200)
Warrant reserve	-	1,974
Accumulated losses	-	(1,974)
Loans and borrowings	-	(3,000)
	2,400	2,400

4.3 **PROFORMA III**

Proforma III incorporates the effects of Proforma II, the Rights Issue of Shares with Warrants and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	6,000
Working capital	3,061
Estimated expenses for the Rights Issue of Shares with Warrants (1)	200
	9,261

Note:
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share premium account.

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

The Rights Issue of Shares with Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and cash equivalents	3,061	-
Share capital	-	9,261
Share premium account	-	(200)
Warrant reserve	-	3,264
Accumulated losses	-	(3,264)
Loans and borrowings	-	(6,000)
	3,061	3,061

4.4 **PROFORMA IV**

Proforma IV incorporates the effects of Proforma III, the Rights Issue of ICULS and the following utilisation of proceeds on the adjusted Consolidated Statements of Financial Position as at 31 March 2012:

	RM'000
Repayment of loans and borrowings	6,000
Working capital	16,554
Estimated expenses for the Rights Issue of ICULS (1)	600
	23,154

Note:-
(1) The estimated expenses in relation to the Corporate Exercises will be debited into share

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

The Rights Issue of ICULS has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Deferred tax asset	1,115	-
Cash and cash equivalents	16,554	-
Share premium account	-	(600)
ICULS – equity portion	-	19,807
Loans and borrowings	-	(6,000)
ICULS – liability portion	-	4,462
	17,669	17,669

4.5 **PROFORMA V**

Proforma V incorporates the effects of Proforma IV and assuming the full exercise of the Warrants.

The full exercise of Warrants has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	**Effect on Total Equity and Liabilities RM'000**
Cash and cash equivalents	29,723	-
Share capital	-	29,723
Share premium account	-	5,238
Warrant reserve	-	(5,238)
	29,723	29,723

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NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

4.6 PROFORMA VI

Proforma VI incorporates the effects of Proforma V and the full conversion of the ICULS by tendering RM0.10 nominal value of the ICULS and paying cash of RM0.90 for one (1) new Share.

The full conversion of ICULS has the following impact on the Proforma Consolidated Statements of Financial Position of the Group:-

	Increase/(Decrease)	
	Effect on Total Assets RM'000	Effect on Total Equity and Liabilities RM'000
Deferred tax asset	(1,115)	-
Cash and cash equivalents	208,384	-
Share capital	-	231,538
ICULS – equity portion	-	(19,807)
ICULS – liability portion	-	(4,462)
	207,269	207,269

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SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

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5. MOVEMENT IN RESERVES

5.1 Minimum Scenario

	Share capital Number of Shares '000	Amount RM'000	Share Premium RM'000	Share Option Reserve RM'000	Property Valuation Reserve RM'000	Warrant Reserve RM'000	ICULS - Equity Portion RM'000	Fair Value Reserve RM'000	Accumulated losses RM'000	Total RM'000
Audited Consolidated Statements of Financial Position at 31 March 2012	41,268	41,268	2,397	54	559	-	-	(44)	(3,562)	40,672
Arising from additional options granted under the ESOS Options	-	-	-	327	-	-	-	-	(327)	-
Adjusted Consolidated Statements of Financial Position at 31 March 2012	41,268	41,268	2,397	381	559	-	-	(44)	(3,889)	40,672
Arising from the Private Placement of Shares with Warrants	5,600	5,600	-	-	-	1,974	-	-	(1,974)	5,600
Payment for estimated expenses for the Private Placement of Shares with Warrants	-	-	(200)	-	-	-	-	-	-	(200)
As per Proforma I	46,868	46,868	2,197	381	559	1,974	-	(44)	(5,863)	46,072
Arising from the Rights Issue of Shares with Warrants	1,000	1,000	-	-	-	352	-	-	(352)	1,000
Payment for estimated expenses for the Rights Issue of Shares with Warrants	-	-	(200)	-	-	-	-	-	-	(200)
As per Proforma II	47,868	47,868	1,997	381	559	2,326	-	(44)	(6,215)	46,872

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

Initialled For Identification Purpose Only
SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0660)

5.1 **Minimum Scenario (Continued)**

	Share capital Number of Shares '000	Amount RM'000	Share Premium RM'000	Share Option Reserve RM'000	Property Valuation Reserve RM'000	Warrant Reserve RM'000	ICULS - Equity Portion RM'000	Fair Value Reserve RM'000	Accumulated losses RM'000	Total RM'000
As per Proforma II (continued)	47,868	47,868	1,997	381	559	2,326	-	(44)	(6,215)	46,872
Arising from the Rights Issue of ICULS	-	-	-	-	-	-	3,422	-	-	3,422
Payment for estimated expenses for the Rights Issue of ICULS	-	-	(600)	-	-	-	-	-	-	(600)
As per Proforma III	47,868	47,868	1,397	381	559	2,326	3,422	(44)	(6,215)	49,694
Arising from the full exercise of the Warrants	13,200	13,200	2,326	-	-	(2,326)	-	-	-	13,200
As per Proforma IV	61,068	61,068	3,723	381	559	-	3,422	(44)	(6,215)	62,894
Arising from the full conversion of the ICULS	4,000	4,000	-	-	-	-	(3,422)	-	-	578
As per Proforma V	65,068	65,068	3,723	381	559	-	-	(44)	(6,215)	63,472

OUR PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER THEREON *(Cont'd)*

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0668)

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

5.2 **Maximum Scenario**

	Share capital									
	Number of Shares '000	Amount RM'000	Share Premium RM'000	Share Option Reserve RM'000	Property Valuation Reserve RM'000	Warrant Reserve RM'000	ICULS - Equity Portion RM'000	Fair Value Reserve RM'000	Accumulated losses RM'000	Total RM'000
Audited Consolidated Statements of Financial Position at 31 March 2012	41,268	41,268	2,397	54	559	-	-	(44)	(3,562)	40,672
Arising from additional options granted under the ESOS Options	-	-	-	327	-	-	-	-	(327)	-
Adjusted Consolidated Statements of Financial Position at 31 March 2012	41,268	41,268	2,397	381	559	-	-	(44)	(3,889)	40,672
Arising from the granting of the remaining options and full exercise of ESOS Options	5,040	5,040	410	(381)	-	-	-	-	(29)	5,040
As per Proforma I	46,308	46,308	2,807	-	559	-	-	(44)	(3,918)	45,712
Arising from the Private Placement of Shares with Warrants	5,600	5,600	-	-	-	1,974	-	-	(1,974)	5,600
Payment for estimated expenses for the Private Placement of Shares with Warrants	-	-	(200)	-	-	-	-	-	-	(200)
As per Proforma II	51,908	51,908	2,607	-	559	1,974	-	(44)	(5,892)	51,112
Arising from the Rights Issue of Shares with Warrants	9,261	9,261	-	-	-	3,264	-	-	(3,264)	9,261
Payment for estimated expenses for the Rights Issue of Shares with Warrants	-	-	(200)	-	-	-	-	-	-	(200)
As per Proforma III	61,169	61,169	2,407	-	559	5,238	-	(44)	(9,156)	60,173

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0668)

5.2 **Maximum Scenario (Continued)**

	Share capital Number of Shares '000	Amount RM'000	Share Premium RM'000	Share Option Reserve RM'000	Property Valuation Reserve RM'000	Warrant Reserve RM'000	ICULS - Equity Portion RM'000	Fair Value Reserve RM'000	Accumulated losses RM'000	Total RM'000
As per Proforma III (continued)	61,169	61,169	2,407	-	559	5,238	-	(44)	(9,156)	60,173
Arising from the Rights Issue of ICULS	-	-	-	-	-	-	19,807	-	-	19,807
Payment for estimated expenses for the Rights Issue of ICULS	-	-	(600)	-	-	-	-	-	-	(600)
As per Proforma IV	61,169	61,169	1,807	-	559	5,238	19,807	(44)	(9,156)	79,380
Arising from the full exercise of the Warrants	29,723	29,723	5,238	-	-	(5,238)	-	-	-	29,723
As per Proforma V	90,892	90,892	7,045	-	559	-	19,807	(44)	(9,156)	109,103
Arising from the full conversion of the ICULS	231,538	231,538	-	-	-	-	(19,807)	-	-	211,731
As per Proforma VI	322,430	322,430	7,045	-	559	-	-	(44)	(9,156)	320,834

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

6. CASH AND CASH EQUIVALENTS

6.1 Minimum Scenario

	RM'000
Audited/Adjusted Consolidated Statements of Financial Position at 31 March 2012	2,006
Arising from the Private Placement of Shares with Warrants	
- proceeds from the Private Placement of Shares with Warrants	5,600
- repayment of loans and borrowings	(3,000)
- payment for estimated expenses for the Private Placement of Shares with Warrants	(200)
As per Proforma I	4,406
Arising from the Rights Issue of Shares with Warrants	
- proceeds from the Rights Issue of Shares with Warrants	1,000
- repayment of loans and borrowings	(600)
- payment for estimated expenses for the Rights Issue of Shares with Warrants	(200)
As per Proforma II	4,606
Arising from the Rights Issue of ICULS	
- proceeds from the Rights Issue of ICULS	4,000
- repayment of loans and borrowings	(3,400)
- payment for estimated expenses for the Rights Issue of ICULS	(600)
As per Proforma III	4,606
Arising from full exercise of Warrants	
- proceeds from full exercise of Warrants	13,200
As per Proforma IV	17,806
Arising from full conversion of ICULS	-
As per Proforma V	17,806

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0660)

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

6.2 **Maximum Scenario**

	RM'000
Audited/Adjusted Consolidated Statements of Financial Position at 31 March 2012	2,006
Arising from the full exercise of ESOS Options	
- proceeds arising from the full exercise of ESOS Options	5,040
As per Proforma I	7,046
Arising from the Private Placement of Shares with Warrants	
- proceeds from the Private Placement of Shares with Warrants	5,600
- repayment of loans and borrowings	(3,000)
- payment for estimated expenses for the Private Placement of Shares with Warrants	(200)
As per Proforma II	9,446
Arising from the Rights Issue of Shares with Warrants	
- proceeds from the Rights Issue of Shares with Warrants	9,261
- repayment of loans and borrowings	(6,000)
- payment for estimated expenses for the Rights Issue of Shares with Warrants	(200)
As per Proforma III	12,507
Arising from the Rights Issue of ICULS	
- proceeds from the Rights Issue of ICULS	23,154
- repayment of loans and borrowings	(6,000)
- payment for estimated expenses for the Rights Issue of ICULS	(600)
As per Proforma IV	29,061
Arising from full exercise of Warrants	
- proceeds from full exercise of Warrants	29,723
As per Proforma V	58,784
Arising from full conversion of ICULS	
- proceeds from full conversion of ICULS	208,384
As per Proforma VI	267,168

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Chartered Accountants (AF: 0660)

SEE HUP CONSOLIDATED BERHAD ("SHCB")
NOTES TO THE PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2012

APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 9 November 2012.

On behalf of the Board,

Lee Chor Min
Managing Director

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SIEW BOON YEONG & ASSOCIATES
Chartered Accountants (AF: 0660)

25

四合綜合集團
SEE HUP CONSOLIDATED BERHAD (391077-V)
18, Jalan Limbungan, Off Jalan Chain Ferry, 12100 Butterworth, Malaysia.
Tel: 04-3105454 (Hunting Line) Fax: 04-3312190

Registered Office:

The Board of Directors
See Hup Consolidated Berhad
18 Jalan Limbungan
Off Jalan Chain Ferry
12100 Butterworth

Date: 19 November 2012

To: The Shareholders of See Hup Consolidated Berhad ("SHCB")

Dear Sir/Madam,

On behalf of the Board of Directors of SHCB, I wish to report that after making due enquiry that during the period from 31 March 2012 (being the date of the last audited consolidated financial statements of SHCB and its subsidiary companies ("**Group**") have been made up) to the date hereof (being a date not earlier than fourteen (14) days before the date of issue of this Abridged Prospectus ("**AP**")):

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

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

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

(d) save as disclosed in Section 10.3 of this AP, there are no contingent liabilities which have arisen by reason of any guarantees or indemnities given by our Group;

(e) save as disclosed in Section 10.2 of this AP, there has been no default or any known event that could give rise to a default situation in respect of payments of either interest and/or principal sums in relation to any borrowings since the last audited consolidated financial statements of our Group;

(f) save as disclosed in Section 8.2 of this AP, the risk factors discussed in Section 7 of this AP and Appendix IV of this AP, there have been no material changes in the published reserves and no unusual factors affecting the profits of our Group since the last audited consolidated financial statements of our Group; and

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

Yours faithfully
for and on behalf of our Board of Directors of
SEE HUP CONSOLIDATED BERHAD

Lee Chor Min
Group Managing Director

FURTHER INFORMATION

1. SHARE CAPITAL

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

(ii) We have only one (1) class of shares, namely ordinary shares of RM1.00 each, all of which rank *pari passu* with one another as at the date of this AP.

(iii) Save as disclosed below, no person has been or is entitled to be given an option to subscribe for any securities of our Company as at the LPD:

(a) ESOS Options

The maximum number of new Shares which may be issued and allotted pursuant to the exercise of ESOS Options shall not exceed 15% of the issued and paid-up share capital of our Company. The ESOS Options will expire on 22 September 2015.

As at the LPD, our Company has 4,894,000 ESOS Options, which entitle the options holders to subscribe for a total of 4,894,000 new SHCB Shares at an exercise price of RM1.00 per SHCB Share. Pursuant to the by-laws governing the ESOS, SHCB is able to grant an additional 146,000 ESOS Options which will enable the options holders to subscribe for a total of 146,000 new SHCB Shares upon granting.

In accordance with the By-Laws governing the ESOS, the Rights Issues may give rise to certain adjustments to the exercise price and the number of new ESOS options. Any necessary adjustments arising from the Rights Issues, where applicable, will only be finalised by the Board at a later date. A notification to holders of the ESOS Options explaining the mechanism of any adjustments to the ESOS will be issued immediately after the finalisation of the necessary adjustments.

(b) The provisional allotment of ICULS and Warrants to be issued pursuant to the Rights Issues.

2. REMUNERATION OF DIRECTORS

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

Article 104 – Determination of Directors' remuneration

The remuneration of the directors shall from time to time be determined by the Company in general meeting. That remuneration shall be deemed to accrue from day to day. No remuneration shall be paid to both an alternate director and the director nominating him unless specifically authorised by the Company in general meeting. The directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors or any committee of the directors or general meetings of the Company or in connection with the business of the Company.

Article 105 – Remuneration shall be a fixed sum

Fees payable to non-executive directors shall be by a fixed sum and not by a commission on or percentage of profits or turnover. Salaries payable to executive directors may not include a commission on or percentage of turnover.

Article 106 – Increase in remuneration

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.

Article 107 – Reimbursement of expenses

If any director being willing and having been called upon to do so by the other directors shall render or perform special or extraordinary services or travel or reside abroad for any business or purposes on behalf of the Company, he shall be entitled to receive such sum as the directors may think fit for expenses and also such remuneration as the directors may think fit, either as a fixed sum or as a percentage of profits or otherwise, and such remuneration may, as the directors shall determine, be either in addition to or in substitution for any other remuneration he may be entitled to receive, and the same shall be charged as part of the ordinary working expenses of the Company.

Article 142 – Remuneration of Managing Directors

A managing director shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the directors may determine.

3. MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years immediately preceding the date of this AP:-

(i) On 27 September 2010, Limsa Ekuiti Sdn Bhd ("**Limsa Ekuiti**"), a wholly owned subsidiary of SHCB, entered into a Fourth Supplemental Agreement with Progerex Sdn Bhd ("**Progerex**") for an extension of time for a period of six (6) months from 28 September 2010 to 31 March 2011 ("**extension of time**"). The extension of time is for the fulfilment of the conditions precedent described in paragraphs 4(a) and 4(d) ("**Conditions Precedent**") of the Sale and Purchase Agreement dated 28 September 2007 ("**Principal Agreement**") for the purchase of nine (9) pieces of vacant land known as Geran Mukim No. 988, 989, 991, 992, 993, 994, 996, 997 and 998, Lot No. 1504, 1505, 1664, 1667, 1669, 1702, 324, 640 and 642, Mukim 14, Daerah Seberang Perai Tengah, Pulau Pinang, for a total cash consideration of RM12,210,242.63.

(ii) On 29 March 2011, Limsa Ekuiti entered into a Fifth Supplemental Agreement with Progerex to waive the two Conditions Precedent of the Principal Agreement.

(iii) On 25 July 2012, See Hup Transport Company Sdn Bhd, a wholly owned subsidiary of SHCB, entered into a Sale and Purchase Agreement with The Penang Development Corporation, a body corporate incorporated under the Penang Development Corporation Enactment, 1972 for the purchase of a piece of land situated in Central Province Wellesley (Daerah Seberang Perai Tengah) and forming part of Mukim 1, the site whereof is marked Plot 25(e) Seberang Jaya Industrial Park, measuring approximately 3.8032 acres for a total cash consideration of RM3,114,546.90.

(iv) On 12 November 2012, SHCB executed a Deed Poll constituting the terms and conditions of the Warrants.

(v) On 12 November 2012, SHCB entered into a Trust Deed as the issuer and AmTrustee Berhad as trustee for the ICULS holders constituting the terms and conditions of the ICULS.

(vi) On 12 November 2012, SHCB entered into a Paying Agency Agreement as the issuer with AmTrustee Berhad as trustee and Plantation Agencies Sdn Berhad as the paying agent, whereby SHCB will pay into the paying agent's cash account an amount sufficient to pay the coupon due and payable on each coupon payment date in relation to the ICULS. Plantation Agencies Sdn Berhad will thereafter effect payment of the coupon to each respective ICULS holders.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

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

(i) See Heng Company Sdn Bhd ("**See Heng**") ("**Plaintiff**") v Ga Yee Furniture Sdn Bhd ("**Ga Yee**")("**Defendant**")
Penang High Court Writ Summon No. 22NCVC-05-01/2012

On 13 January 2012, See Heng, a wholly-owned subsidiary of SHCB, served, via its solicitors by way of registered post, a Writ of Summons together with a Statement of Claims on Ga Yee.

See Heng is claiming for a sum of RM3,416,937.84, interest, costs and such further or other reliefs or orders as the Court deems fit. The Defendant has filed a counter claim for the sum of RM200,000.00 from See Heng.

The outstanding sum was in respect of invoices due for goods sold and delivered. See Heng had during the year entered into various trading transactions to purchase furniture parts for subsequent sale to Ga Yee. Ga Yee has since defaulted in settlement of invoices due.

On 16 July 2012, the learned Judge has allowed Ga Yee's application to amend their Statement of Defence and Counter Claim with cost to See Heng and further fixed 17 August 2012 for case management.

On 31 July 2012, See Heng has instructed its solicitors to file an appeal to the Court of Appeal against the learned Judge's decision.

On 17 August 2012, the learned Judge has fixed 5 December 2012 and 6 December 2012 for full trial for this suit and directed both parties' solicitors to comply with pre trial direction and further fixed 8 November 2012 for case management.

The Court of Appeal has fixed 11 September 2012 for case management of the appeal filed. On 11 September 2012, the learned Registrar has fixed 26 November 2012 for hearing of See Heng's appeal and directed both parties' solicitors to file their respective written submission on or before 12 November 2012.

The Plaintiff's solicitors are of the view that:-

(a) the Plaintiff may have a good chance to claim against the Defendant for goods sold and delivered; and

(b) the Plaintiff may have a good chance to defend against the counter claim filed by the Defendant.

(ii) Agriplex (M) Sdn Bhd (705649-D) ("**Agriplex**") ("**Plaintiff**") v CHH Pacific Paper Sdn Bhd ("**CHH Pacific**") ("**Defendant**")
Shah Alam High Court Civil Suit No. 22NCVC-894-07/2012

On 18 July 2012, Agriplex, a 70% owned subsidiary of SHCB, served, via its solicitors by way of registered post, a Writ of Summons and Statement of Claim against CHH Pacific.

Agriplex is claiming for the sum of RM7,763,515.22 for services rendered and RM1,888,810.00 being the outstanding minimum charges for the month of May 2011 till May 2012.

On 13 August 2012, the learned Judge has fixed 21 September 2012 as the new case management date and further directed Agriplex to file the summary judgement application on or before 10 September 2012.

On 21 September 2012, the learned Judge has fixed 5 October 2012 as the new case management date pending filing of the summary judgment application.

On 5 October 2012, the learned Judge has fixed 2 November 2012 for further case management to verify the status of the Defendant and for the Plantiff's solicitors to file the summary judgment application.

On 2 November 2012, the learned Judge has fixed 30 November 2012 for hearing of the summary judgment application.

The Plaintiff's solicitors are of the view that the Plaintiff may have a good chance to claim against the Defendant for services rendered.

5. GENERAL

(i) The nature of our Group's business is described in Sections 2 and 6 of Appendix II of this AP. There are no corporations which are deemed related to us by virtue of Section 6 of the Act, except as disclosed in Section 6 of Appendix II of this AP.

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

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

(iv) Our Directors are not aware of any material information, including special trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group, except as disclosed in Sections 7 and 9 of this AP.

(v) Save as disclosed in Section 9 and the risk factors mentioned in Section 7 of this AP, the financial conditions and operations of our Group are not affected by any of the following:-

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

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

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

(d) known trends or uncertainties that have had, or that our Group reasonably expects will have, a material favourable or unfavourable impact on our revenues or operating income.

6. CONSENTS

Our Adviser, Due Diligence Solicitors, Share Registrar and Paying Agent, Joint Company Secretaries, Principal Banker, Trustee, and Bloomberg Finance L.P. have given and have not subsequently withdrawn their respective written consents to the inclusion in this AP of their names in the form and context in which such names appear in this AP.

Messrs. Siew Boon Yeong & Associates, our Reporting Accountants, has given and has not subsequently withdrawn its written consent to the inclusion in this AP of its name and the proforma consolidated statements of financial position of our Company as at 31 March 2012 together with the Reporting Accountants' letter thereon, and all references thereto, in the form and context in which they appear in this AP.

Messrs. KPMG, our Auditors, has given and has not subsequently withdrawn its written consent to the inclusion in this AP of its name and the audited consolidated financial statements for the FYE 31 March 2012 together with the auditors' report of our Company, and all references thereto, in the form and context in which they appear in this AP.

7. CONFLICT OF INTEREST

PIVB, Messrs. Lee Choon Wan & Co. and Messrs. Siew Boon Yeong & Associates have given their respective confirmations that they have no directorship with our Group nor any equity and/or financial relationship with our Group, our Directors and/or our substantial shareholders that may give rise to a situation of conflict of interest in their capacity as the Adviser, Due Diligence Solicitors and Reporting Accountants, respectively, in connection with the Rights Issues.

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

8. DOCUMENTS FOR INSPECTION

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

(i) our M&A;

(ii) our audited consolidated financial statements for the past two (2) FYE 31 March 2011 and 2012;

(iii) our unaudited consolidated financial statements for the three (3) months FPE 30 June 2012;

(iv) our proforma consolidated statements of financial position as at 31 March 2012 together with the Reporting Accountants' letter thereon as set out in Appendix V of this AP;

(v) the letters of undertaking by Dato' Lee and LHH dated 30 August 2012 as referred to in Section 4 of this AP;

(vi) our Directors' Report as set out in Appendix VI of this AP;

(vii) the letters of consent as referred to in Section 6 of this Appendix;

(viii) the material contracts as referred to in Section 3 of this Appendix; and

(ix) the relevant cause papers in relation to the material litigations as referred to in Section 4 of this Appendix.

9. RESPONSIBILITY STATEMENTS

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

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

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