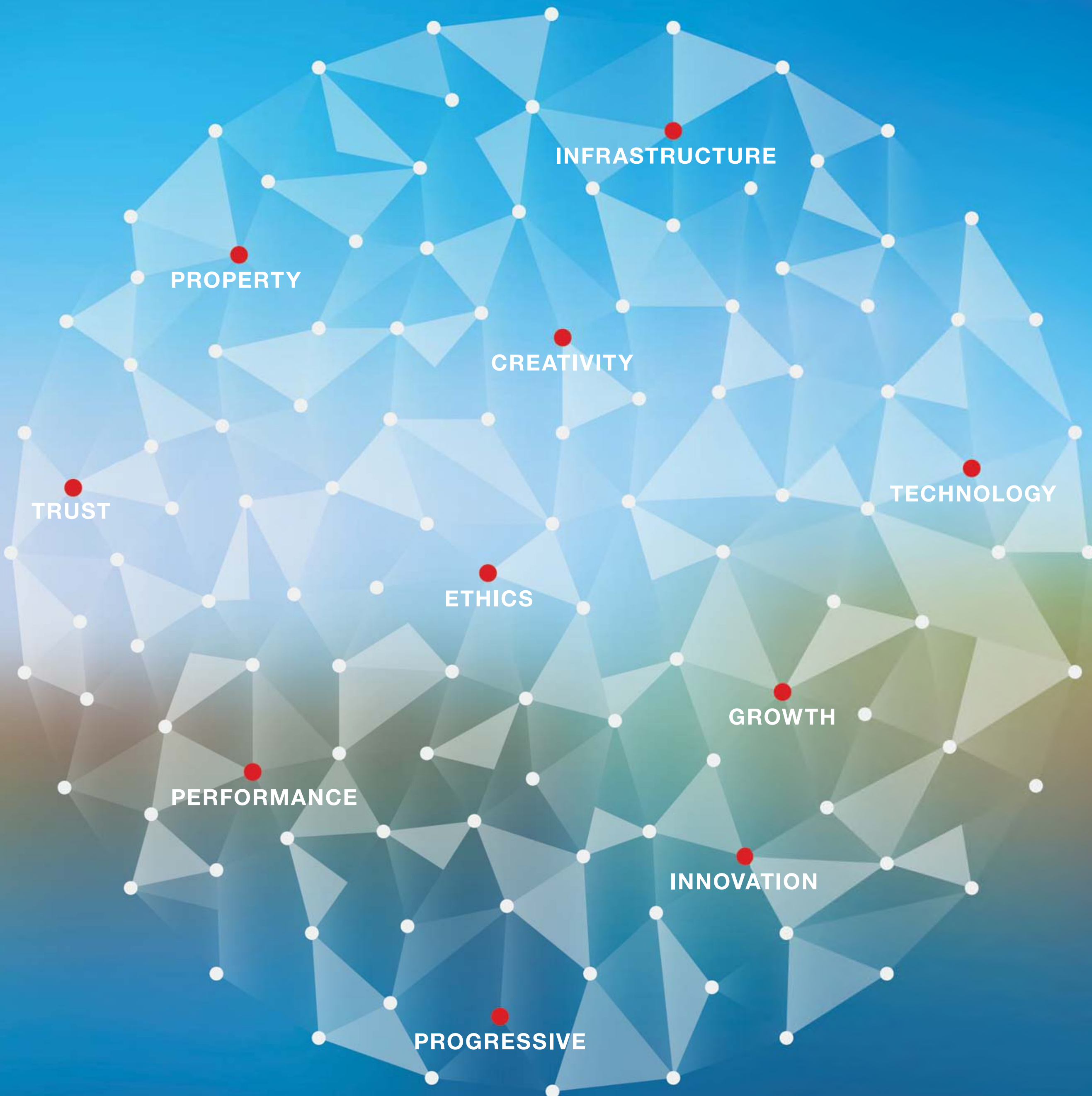
IREKA



ANNUAL REPORT 2014

...in trusted hands

CONTENTS

Cover Rationale

Anchored on a base of experience and innovation, guided by values and principles and supported by a talented team, Ireka moves forward in resonance, taking on challenges and welcoming opportunities. Today, Ireka is not only at the forefront of the Malaysian construction, property and technologies industry; it is now equally a player with an expanding presence beyond Malaysia.

VISION

To be a progressive and globally-focused corporation which prides itself on proven track record in performance, reliability, excellence in quality and creativity in all products and services offered.

ABOUT IREKA

Founded in 1967, Ireka Corporation Berhad has rapidly evolved into a progressive and integrated entity. Ireka's success story lies in its different business portfolios which co-exist to form a corporation that is synergised with complementary capabilities and multi-industry expertise. This provides a solid foundation for the Group to deliver fresh perspectives and innovative solutions, as well as creating value for all its stakeholders. Today, Ireka Group is actively involved in three core businesses: Infrastructure, Real Estate and Technologies, spreading its wings in both Malaysia and Vietnam.

KL Sentral Office Towers & Aloft Kuala Lumpur Sentral Hotel

City International Hospital in International Hi-Tech Healthcare Park, Ho Chi Minh City


MRT V7 Bandar Tun Hussein Onn to Taman Mesra


The RuMa Hotel and Residences, Jalan Kia Peng, KLCC


SAFEHOUSE Data Centre, Mont' Kiara


SENI Mont' Kiara

5-YEAR FINANCIAL HIGHLIGHTS

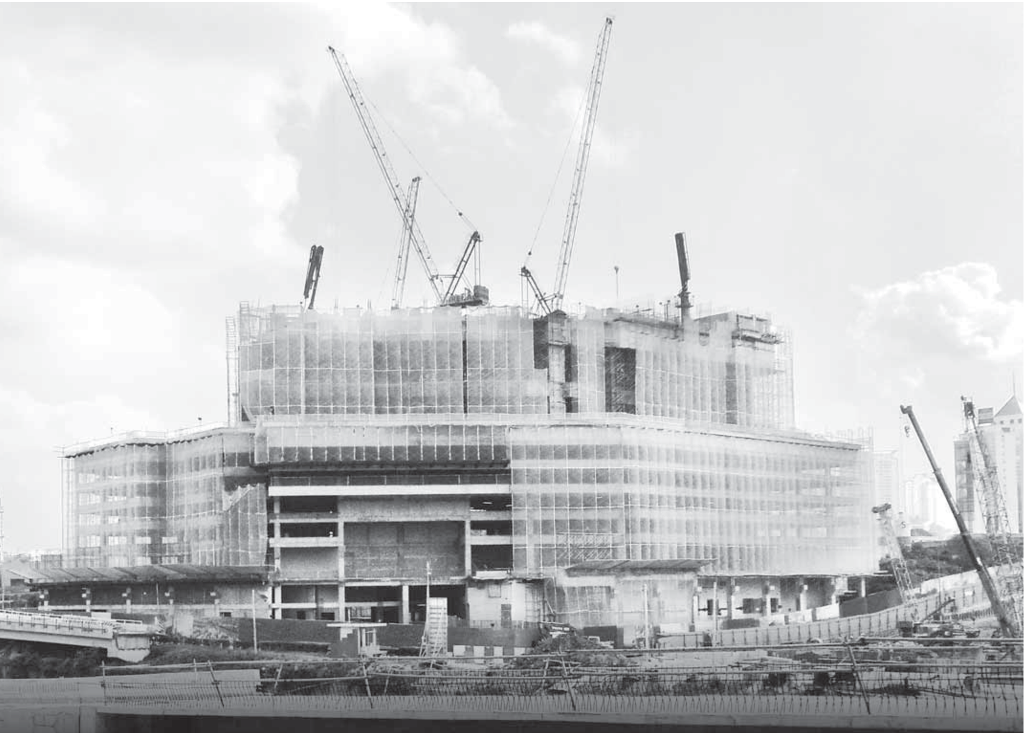
Group	12 months to 31.03.10	12 months to 31.03.11	12 months to 31.03.12	12 months to 31.03.13	**12 months to 31.03.14**
In RM'000					
Revenue	393,072	443,952	429,890	329,932	**289,676**
Profit/(Loss) before taxation	9,379	(11,092)	14,121	(38,427)	**(25,681)**
Profit/(Loss) after taxation and minority interest	8,669	(11,742)	10,402	(40,213)	**(27,318)**
Issued share capital	113,914.7	113,914.7	113,914.7	113,914.7	**113,914.7**
Shareholders' funds	237,710	220,206	224,844	178,812	**151,746**
Total assets	545,075	571,733	593,796	511,964	**543,752**
In Sen					
Gross dividend per share	5.0	5.0	5.0	–	**–**
Net earnings per share – Basic	7.6	(10.3)	9.1	(35.3)	**(24.0)**
Net tangible assets per share	208.7	193.3	197.4	157.0	**133.2**
In Percentage					
Return on shareholders' fund	3.6	(5.3)	4.6	(22.5)	**(18.0)**
Gearing	79	81	78	85	**125**
Gearing (net of cash)	62	60	60	75	**101**

The RuMa Hotel and Residences, Jalan Kia Peng, KLCC

Integration is key to Ireka's success, where its various talents come together to achieve milestones in nation building and creative property development. Integration enables high seamless performance, which is the hallmark of Ireka's products.

ASTA Enterprise Park, Kajang

CHAIRMAN'S STATEMENT



KL Eco City Residential Tower 1

Recognised for what it has achieved over the years, Ireka has become a name that symbolises achievement and reliability in the construction, property and technologies industry. This comes with invaluable goodwill and trust.

On behalf of the Board of Directors, I am pleased to present the Annual Report and Financial Statements of Ireka Corporation Berhad (the 'Group') for the financial year ended 31 March 2014 ('FY2014'). For FY 2014, the Group recorded a revenue of RM289.7 million compared to RM329.9 million recorded in the previous year. The lower revenue reflects the continued effect of the late start-up of new construction projects. After allowing for the share of losses of an associated company, Aseana Properties Limited ('Aseana') of RM15.4 million, the loss for the year amounting to RM27.3 million compared to a loss of RM40.2 million recorded in the previous year. The Directors do not recommend the declaration of dividends for FY2014.

On the construction front, the Group expects turnover to increase, based on current works in hand which include the construction of the Imperia Puteri Harbour, the KL Eco City and The RuMa Hotel and Residences. New tenders in the current financial year under review increased significantly from previous year. The current order book, together with the commencement of internally generated projects, will benefit the Group going forward. The Group's order book stands at about RM1.1 billion of which about RM875.7 million remains outstanding as at June 2014.

On the property development front, the Group launched Kasia Greens, which consists of 142 units of terraced houses located in Nilai. We are happy to report that all the units are sold. Construction

"On the property development front, the Group launched Kasia Greens, which consists of 142 units of terraced houses located in Nilai. We are happy to report that all the units are sold."


Kasia Greens, Nilai

of the project is undertaken by Ireka Engineering & Construction Sdn Bhd and is on schedule for completion at the end of 2014.

Our Development Management Division has performed satisfactorily in completing projects under the Aseana Group which include the Harbour Mall Sandakan, the Four Points by Sheraton Sandakan hotel, the Aloft Kuala Lumpur Sentral hotel and the City International Hospital in Ho Chi Minh City, Vietnam. The construction of The RuMa Hotel and Residences in Kuala Lumpur City Centre is progressing well.

Our Technologies Division had a mixed year which was tempered with a drop in revenue from hardware sales in the home market but experienced slight improvements in sales revenues from SAFEHOUSE, i-Tech Network Solutions Sdn Bhd's 'green' data centre. SAFEHOUSE also proudly obtained its ISO/IEC 27001:2005 Certification for Information Security Management System for the Provision of Data Centre Services from The Certification Body of TÜV SÜV Management Services GmbH in March 2014. i-Tech Network Solutions (Vietnam) Company Limited also managed to secure a couple of small networking and systems integration projects in Ho Chi Minh City, Vietnam.

iTech ELV Solutions Sdn Bhd's ('iTech ELV') sales revenues dropped due in part to delays in the implementation of a couple of projects and a drop in project pipeline. iTech ELV was however still profitable in the financial year under review as we look to aggressively replenish work over the next 12 months.

In closing and on behalf of the Board of Directors of Ireka Corporation Berhad, I wish to convey my sincere thanks to all shareholders, customers, business partners and Aseana for their continued support.

Finally on behalf of the Board, I take this opportunity to thank the management and staff throughout the Group for their hard work and support during this challenging period.

HAJI Ir. ABDULLAH BIN YUSOF
Chairman

28 August 2014

MANAGEMENT DISCUSSION & ANALYSIS

Imperia Puteri Harbour, Iskandar Malaysia

Excellence is synonymous with Ireka, which is reflected in the quality and subsequent commercial success of its projects. Its excellence is built upon practicality, hard work, experience and talents. Everything that Ireka does is carefully evaluated and delivered to the highest standards.

GROUP PERFORMANCE REVIEW

For the financial year ended 31 March 2014 ('FY2014'), the Group recorded total revenue of RM289.7 million, a decrease of 12.2% compared to the FY2013. The Infrastructure Division through its construction activities remain as the major revenue contributor for the Group, accounting for approximately 80.1% of the Group's total revenue. The Real Estate Division, through development management services provided to Aseana Properties Limited, a 23.07% associate of Ireka Corporation Berhad and the Technologies Division are the contributors to the remaining of the Group's total revenue.

The Group recorded losses of RM27.3 million in FY2014, compared to losses of RM40.2 million in FY2013, largely due to negative results of Aseana Properties Limited ('Aseana Properties') and operating losses of Ireka Engineering & Construction Sdn. Bhd. ('IECSB'). The losses from Aseana Properties are mainly attributed to operating losses from Harbour Mall Sandakan and Four Points by Sheraton Sandakan, pre-opening expenses and operating losses from Aloft Kuala Lumpur Sentral Hotel as well as the City International Hospital which is in early operational stage.

The Malaysian economy grew at a slower pace in 2013, with gross domestic product ('GDP') grew moderately at 4.7% compared to the 5.6% growth recorded in 2012, largely driven by growth in domestic demand. Domestic demand remained resilient throughout the year, led by robust private sector activity on the back of public sector spending on large infrastructure projects. However, growth was tempered by a series of measures implemented by the Malaysian government to ease concern on the national budget deficit which include subsidy cuts to petrol and fuel, resulting in rising of the inflation rate at an annual average rate of 2.1% for 2013, highest level since June 2011.

Vietnam registered GDP growth of 5.4% in 2013, slightly below the target of 5.5% growth but higher than the 5.3% growth recorded in 2012. The continuing tightening of monetary policy have successfully moderated inflation further in year 2013 to 6.6% compared to 9.2% in year 2012, the lowest rise in the last decades. Positive outcome was seen from the Government's successful economic restructuring plans and efforts aimed to boost investment efficiency.

The Government is now focusing on restructuring the banking system and state-owned enterprises, as well as attracting foreign direct investment ('FDI'). FDI continues to be a strong driver of Vietnam's growth with US$21.6 billion being recorded in year 2013. Since its establishment in year 2013, the Vietnam Asset Management Company ('VAMC'), a national debt restructuring agency, has successfully swapped VND39.0 trillion (US$1.8 billion) worth of bad debts from 35 banks, surpassing its target for 2013.

CORPORATE UPDATE OF IREKA CORPORATION BERHAD

In June 2013, the major shareholders of Ireka Corporation Berhad (the 'Company' or 'Ireka') proposed to privatise the Company via a selective capital reduction and repayment exercise on the rationale that the shares had been thinly traded and the market price had been languishing below the par value of RM1.00. This has made it difficult for Ireka to undertake any fund raising activities through the capital markets, and the Company has hence not benefited from its listed status.

Subsequently, during the Extraordinary General Meeting ('EGM') of the Company in February 2014, the minority shareholders voted against the major shareholders' proposed offer to take the Company private. The result of the EGM underlined the belief and commitment of the minority shareholders to the future growth plans of Ireka.

Following the unsuccessful privatisation exercise, the Company conducted a two-call rights issue with free detachable warrants of 56,957,350 number of shares at a first call price of RM0.65 per rights share, and a second call at RM0.35 per rights share. The

The RuMa Hotel and Residences, Jalan Kia Peng, KLCC

MANAGEMENT DISCUSSION & ANALYSIS cont'd

Solstice @ Pan'gaea, Cyberjaya

first call was satisfied via cash call from shareholders and the second call via capitalisation of the Company's share premium reserve. The rights issue exercise was completed in July 2014, with the issue being approximately 13.4% oversubscribed, and the Company successfully raising approximately RM37.0 million cash. The over-subscription of the rights issue again is a testament of the support and commitment of the shareholders to the future prospects of Ireka.

INFRASTRUCTURE DIVISION PERFORMANCE REVIEW

The construction sector remained strong and grew at a rate of 10.9% in year 2013, largely driven by an influx of infrastructure projects and the robust performance in residential segment underpinned by the construction of luxury and high-rise properties. The construction sector has always been a strong driver of growth for the Malaysian economy and currently contributes approximately 3.8% to the country's GDP. (Source: National Statistic Department 2013 GDP report)

2014 is set to be a busy year for the construction sector, driven by both private and government projects, particularly the Economic Transformation Programme ('ETP') and continued investments and infrastructure development projects under the 10th Malaysia Plan. Its growth is also supported by the progress completion of pre-awarded construction work, particularly the Klang Valley Mass Rapid Transit ('KVMRT') Line 1. Several other mega infrastructure and property development projects are also expected to be launched in the second quarter of 2014, including the RM5.9 billion West Coast Expressway and also the Phase 1 of Langat 2 water treatment plant. Positive flows can also be expected with the appointment of project delivery partner for the RM25.0 billion KVMRT Line 2, RM5.0 billion Warisan Merdeka Tower and also the Kwasa Damansara Township Development.

In addition to the current construction works for MRT Elevated Viaduct Civil Works Package V7, Imperia Puteri Harbour Serviced Apartments and Office in Johor, as well as Solstice @ Pan'gaea in Cyberjaya, the Group has secured two new projects in FY2014 to bring the total order book to RM1.1 billion, of which approximately RM875.7 million was still outstanding as at June 2014. These two new projects are high-end building projects with a total contract sum of RM547.7 million, namely the KL Eco City Residential Tower 1 and The RuMa Hotel and Residences. The KL Eco City Residential Tower 1 project which is awarded by SP Setia Berhad, once completed, will be the tallest residential building in the Klang Valley at 60-storey high. We are proud and honoured to be a trusted delivery partner for some of the most prominent developers in Malaysia.

As in previous years, the priority for the Group is to ensure timely delivery of all the construction projects. Alongside that, the Group will actively seek opportunities to grow its order book. Based on the Group's track record and experience, the targeted projects will include commercial and Government buildings, infrastructure works as well as high-end residential buildings.

REAL ESTATE DIVISION PERFORMANCE REVIEW

Malaysia's property transactions in value terms grew by 6.7% in 2013, with residential properties continuing to spearhead demand with a 64.6% share of the total transactions. However, the volume of property transactions fell by 10.9%, recording 381,130 transactions in 2013, as opposed to 427,520 in 2012.

The property market was sustained by the prevailing low interest rate environment for the earlier part of the year but tapered off in the later part due to Bank Negara Malaysia's counter measures, such as the application of 70% loan-to-value ratio on the third housing loans as well as guidelines on responsible funding.

The National Property Information Centre's House Price Index has indicated a 11.6% increase at the end of 2013 compared to previous year across Malaysia, representing a continual trend from the previous year. However, this is contrasted against lesser number of transactions being recorded in 2013 which indicates a sign of a slowdown in the Malaysian property market. For a large part of year 2013, the market was affected by the uncertainty over the outcome of the 13th General Election, with investors opting for a more cautious 'wait-and-see' approach. Furthermore, the Malaysian government has in its 2014 Budget introduced a series of measures to curb property speculation such as stricter Real Property Gains Tax ('RPGT') rules, the abolishment of the Developer Interest Bearing Scheme ('DIBS') and also the increase in the minimum price for foreigners to purchase properties in the country from RM500,000 to RM1 million. In view of these stringent measures, there are imminent uncertainties on the outlook of the Malaysian property market over the next few years.

In FY 2014, Ireka Development Management Sdn Bhd ('IDM'), the development manager for Aseana Properties, saw the official opening of City International Hospital ('CIH'), the flagship development at the International Hi-Tech Healthcare Park, Vietnam in January 2014. CIH is managed by Parkway Pantai Limited. Due to the challenging economic and property market conditions at this point in time for the high-end property market in Vietnam, IDM and Aseana Properties have decided to delay the launching of

Aloft Kuala Lumpur Sentral Hotel, Kuala Lumpur

MANAGEMENT DISCUSSION & ANALYSIS cont'd

ASTA Enterprise Park, Kajang

the Phase 1 of the Waterside Estates, consisting of 37 units of riverside villas to a later date, pending a broader recovery of the market.

The year to date also saw the commencement of building work for The RuMa Hotel and Residences ('The RuMa'), another project under the management of IDM. The RuMa is a joint venture mixed development project between Aseana Properties and Ireka located on Jalan Kia Peng in Kuala Lumpur City Centre which consists of 253 units of hotel suites and 199 units of serviced residences. Construction of the main building commenced in October 2013 with completion targeted for 2017. The RuMa has achieved commendable sales progress since its launch in March 2013, given the current challenging high-end property market.

Ireka Group is making good progress with its development projects following the Group's return into direct property development activities in Malaysia. The first phase of development on the residential land in Nilai, being Kasia Greens, was officially launched in June 2013. Kasia Greens consists of 142 units of super-linked houses, and has achieved 100% sales as at to-date. Construction works is currently underway and completion is targeted for end of 2014. Second phase of Nilai land development, consisting of 6 parcels of lands measuring 30.6 acres, will be developed into courtyard apartments, condominiums, town villas and commercial centre. The sales launch of the courtyard apartments, known as dwi@Rimbun Kasia, is planned to take place in the fourth quarter of 2014. dwi@Rimbun Kasia consists of a 9-storey, 328 units apartments block with sizes ranging from 650 square feet to 980 square feet.

Meanwhile, the sales launch of the ASTA Enterprise Park, Kajang (formerly known as Kajang Industrial Development) is expected to take place in the fourth quarter of 2014. Located at a thriving neighbourhood south of Kuala Lumpur, this 31.5 acres of freehold development consists of 57 units of semi-detached and detached light industrial factories. The design of the units emphasizes on multi functionality and versatile utilisation to cater for total industrial needs of companies.

Detailed development planning and approval is currently underway for Kajang Sentral Residences (formerly known as Kajang Commercial Development) and launch is expected in 2015.

TECHNOLOGIES DIVISION PERFORMANCE REVIEW

i-Tech Network Solutions Sdn. Bhd. ('i-Tech') has had a mixed year. The Company's sales revenue dropped by 26% in FY2014 compared to the previous year, due to delays in the early part of this year of a couple of implementation of networking and systems integration projects for a few clients, coupled with a slowdown in the hardware market.

i-Tech's 'green' data centre in Mont' Kiara, branded as SAFEHOUSE, managed to secure a number of new clients during this reporting period which is a testament of the hard work put in by the team in the marketing of SAFEHOUSE locally and internationally. Our boutique data centre offering not only co-location and disaster recovery services, but also delivering high availability, high density and high efficiency, state-of-the-art solutions also obtained ISO/IEC 27001:2005 Certification for Information Security Management System for the Provision of Data Centre Services from The Certification Body of TÜV SÜV Management Services GmbH in March 2014. This, again, is a testament of the quality and integrity of the services SAFEHOUSE offers our clients.

The Malaysian IT market is expected to continue its strong development over the medium term due primarily to supportive Government policy in the sector. There will be a likely slowdown in the desktop and notebook market but sales of tablets will likely compensate for this in the short-to-medium term. Corporate customers are more hesitant to implement hardware refresh projects as a result of the ongoing global uncertainty. However, there will be areas of strong growth including security software and services, as well as outsourcing and cloud computing; and these are areas where i-Tech will look to capitalize on.

iTech ELV Solutions Sdn. Bhd.'s ('iTech ELV') sales revenue dropped considerably in FY2014 due in part to lower pipeline of projects and delays in the implementation of a couple of projects. iTech ELV was however profitable in FY2014. iTech ELV is a specialist contractor offering installation services for extra low voltage components such as structured cabling, building automation, security access control systems and audio-visual components. iTech ELV will be aggressively looking to replenish its projects pipeline over the next 12 months.

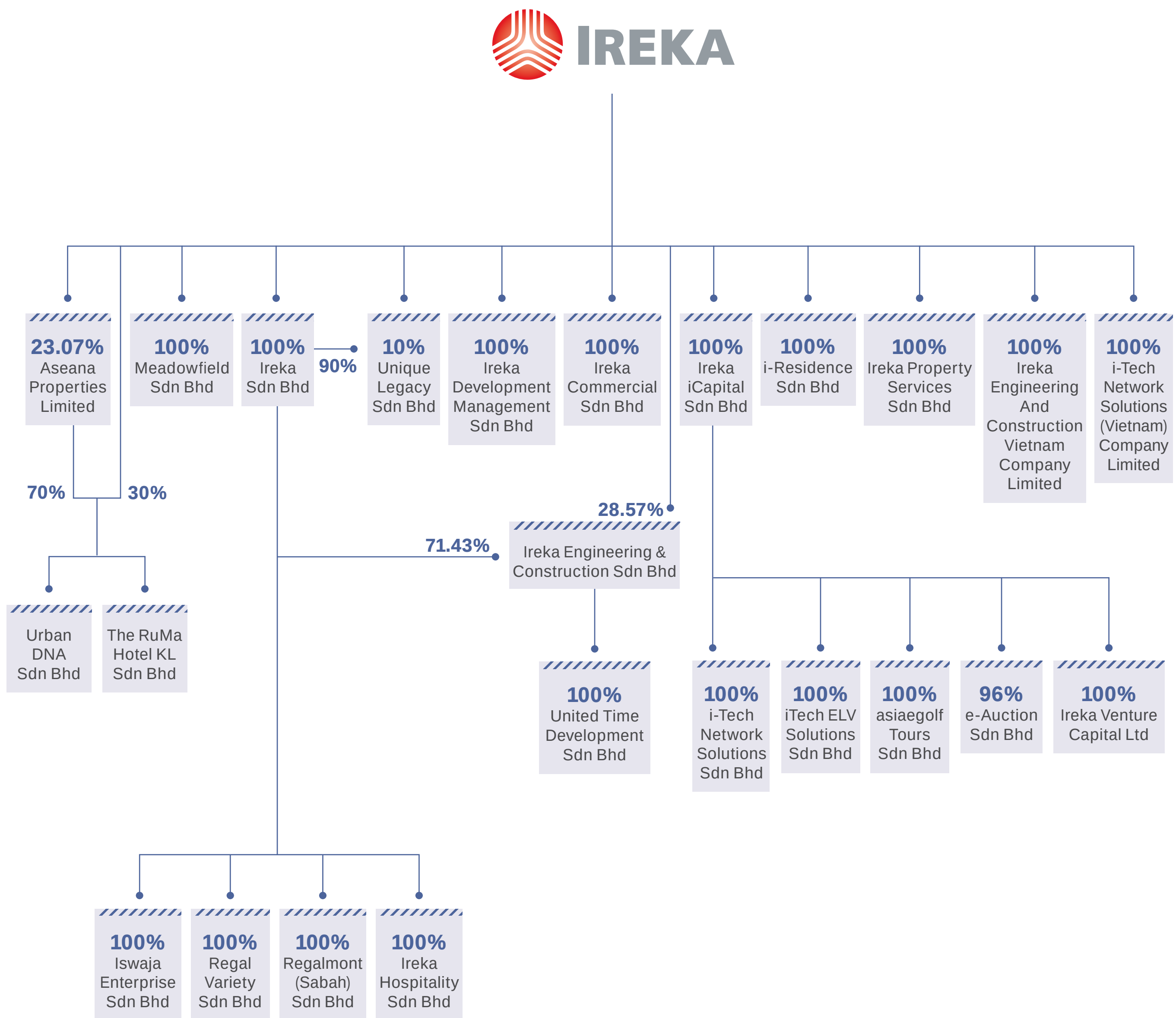
i-Tech Network Solutions (Vietnam) Company Limited ('ITV') continues to support City International Hospital in Ho Chi Minh City. ITV also managed to secure a couple of networking and systems integration projects for an international company in FY2014. ITV's business focus in Vietnam is primarily to continue to fulfill its outsourcing contract with City International Hospital and to look to secure networking and systems integration projects with international companies operating in Vietnam.

The Technologies Division will continue to heavily market SAFEHOUSE locally and internationally using this as a platform to evolve into a managed services company thereby reducing its risk from the volatile and extremely competitive hardware and software market segment of the IT industry.

DATUK LAI SIEW WAH *P.G.D.K.*
Group Managing Director

28 August 2014

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

Independent Non-executive Chairman

Haji Ir. Abdullah bin Yusof

Managing Director

Datuk Lai Siew Wah *P.G.D.K.*

Deputy Managing Director

Datuk Lai Jaat Kong @
Lai Foot Kong *PJN, JSM*

Executive Directors

Chan Soo Har @ Chan Kay Chong
Lai Man Moi
Lai Voon Hon
Lai Voon Huey, Monica

Independent Non-executive Directors

Haji Mohd. Sharif bin Haji Yusof
Kwok Yoke How

Senior Independent Non-executive Director

Haji Mohd. Sharif bin Haji Yusof
Tel : +603-6411 6388
Fax : +603-6411 6383
Email : mohdsharif@ireka.com.my

AUDIT COMMITTEE

Chairman

Haji Mohd. Sharif bin Haji Yusof

Members

Haji Ir. Abdullah bin Yusof
Kwok Yoke How

COMPANY SECRETARY

Wong Yim Cheng
MAICSA 7008092

COUNTRY OF DOMICILE & INCORPORATION

Malaysia

LEGAL STATUS

Public listed company limited by shares

REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

Level 18, Wisma Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : +603-6411 6388
Fax : +603-6411 6383
Email : enquiry@ireka.com.my
Website : www.ireka.com.my

SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : +603-7841 8000
Fax : +603-7841 8008

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

STOCK CODES

Shares : 8834
Warrants : 8834WB

AUDITORS

Raja Salleh, Lim & Co.
(Audit Firm No. 0071)
29A, Jalan SS22/19
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
United Overseas Bank (M) Berhad

BOARD OF DIRECTORS

Haji Ir. Abdullah bin Yusof

Aged 78, a Malaysian, is the Independent Non-executive Chairman of Ireka and was appointed to the Board of Directors on 9 March 1992. He is a member of the Audit Committee and a Director of several subsidiaries within Ireka Group. He graduated from the Camborne School of Metalliferous Mining, United Kingdom in 1961. He has extensive experience in the tin mining industry, and is currently the Executive Chairman of Osborne & Chappel International Sdn Bhd, a local mine management and engineering group which was involved in the field of mining operations and related construction works, mine management and consultancy, both locally and internationally. He is a registered Professional Engineer (Mining) with the Board of Engineers Malaysia. He is also an Independent Non-executive Director of Gopeng Berhad.

Datuk Lai Siew Wah *P.G.D.K.*

Aged 74, a Malaysian, is the founder and Group Managing Director of Ireka. He was appointed a Director of Ireka on 31 December 1975 and was made the Managing Director of Ireka on 5 April 1993. He is also a Director of several subsidiaries within Ireka Group. He has been active in the construction industry since 1967 during which time he has accumulated vast knowledge and experience in the implementation and management of construction projects.

He is a major shareholder of Ireka, through his interest in Ideal Land Holdings Sdn Bhd.

Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*

Aged 71, a Malaysian, is the Group Deputy Managing Director of Ireka. He was appointed a Director of Ireka on 13 August 1977 and was made the Deputy Managing Director on 8 May 1993. He is also a Director of several subsidiaries within Ireka Group. He has over 35 years experience in the construction industry and is actively involved in activities of related trade organization locally and regionally. Currently, he is the Honorary Life President of Master Builders Association Malaysia. He was the Past President/Honorary Advisor of the Master Builders Association Malaysia and had also served as Board Member/Secretary-General/Rapporteur of International Federation of Asia & Western Pacific Contractors' Association (IFAWPCA) and Council Member of ASEAN Constructors Federation (ACF), as Board Member of Construction Industry Development Board Malaysia (CIDB) and National Institute of Occupational Safety and Health (NIOSH).

He is the brother of Datuk Lai Siew Wah.

Chan Soo Har @ Chan Kay Chong

Aged 68, a Malaysian, is an Executive Director of Ireka. He joined Ireka in 1975 and was appointed to the Board of Directors on 1 April 1990. He is also a Director of several subsidiaries within Ireka Group. He has over 40 years experience in the construction industry with sound knowledge in building materials and heavy plants and machineries.

He is a major shareholder of Ireka, through his interest in Magnipact Resources Sdn Bhd.

Lai Man Moi

Aged 66, a Malaysian, is an Executive Director of Ireka. She joined Ireka in 1975 and was appointed to the Board of Directors on 1 April 1990. She is also a Director of several subsidiaries within Ireka Group. She has over 40 years experience in finance and accounting and is a member of several institutes including the Association of Accounting Technicians, United Kingdom; The International Association of Book-Keepers (UK); and The Institute of Commercial Management.

She is a major shareholder of Ireka, through her interest in Magnipact Resources Sdn Bhd. She is the sister of Datuk Lai Siew Wah and the spouse of Mr Chan Soo Har @ Chan Kay Chong.

Lai Voon Hon

Aged 50, a Malaysian, is an Executive Director of Ireka and the Chief Executive Officer of Ireka Development Management Sdn Bhd. He joined Ireka in 1994 as the Group General Manager and was appointed to the Board of Directors on 18 March 1996. He is also a Director of several subsidiaries within Ireka Group. He graduated from University College London, London University and Ashridge Management College with Bachelor of Science (Hons) Degree in Architecture in 1987 and Post-graduate Diploma in Architecture (Dip-Arch) in 1989 and a Master in Business Administration ('MBA') (Distinction) degree in 1993 respectively. An architect by profession, he has practiced in London, Hong Kong and Malaysia prior to joining Ireka. He is a registered Professional Architect with the Board of Architects, Malaysia.

He is currently a Member of the Young Presidents Organisation, Member of the Board of Trustees for the Malaysian AIDS Foundation; as well as a National Committee Member for the International Federation of Real Estate (FIABCI) Malaysia.

He was the past Council Member of the Master Builder Malaysia, Industrialised Building System Steering Committee Member of the Construction Industry Development Board (CIDB); as well as past President of the Young Entrepreneurs' Organisation Malaysia.

He is a major shareholder of Ireka, through his interest in Ideal Land Holdings Sdn Bhd. He is the son of Datuk Lai Siew Wah.

Lai Voon Huey, Monica

Aged 48, a Malaysian, is an Executive Director of Ireka and the Chief Financial Officer of Ireka Development Management Sdn Bhd. She joined Ireka as the Group Financial Controller in 1993 and was appointed to the Board of Directors on 30 June 1999. She is also a Director of several subsidiaries within Ireka Group. She graduated from City University, London, with a Bachelor of Science (Hons) Degree in Accountancy and Economics. She has worked for two international accounting firms in England and Hong Kong prior to joining Ireka. She is a fellow member of several institutes that include the Institute of Chartered Accountants, England and Wales; Chartered Accountants, Malaysia; and the Malaysian Institute of Taxation.

She is a major shareholder of Ireka, through her interest in Ideal Land Holdings Sdn Bhd. She is the daughter of Datuk Lai Siew Wah.

Haji Mohd. Sharif bin Haji Yusof

Aged 75, a Malaysian, is the Senior Independent Non-executive Director of Ireka. He was appointed to the Board of Directors on 2 January 2002. He is the Chairman of the Audit Committee and a Director of several subsidiaries within Ireka Group. He is a fellow member of the Institute of Chartered Accountants, England and Wales, Malaysian Institute of Accountants and Malaysian Association of Certified Public Accountants. He is also an Independent Non-executive Chairman of AYS Ventures Berhad and Independent Non-executive Director of Atlan Holdings Berhad and Axis REIT Managers Berhad.

Kwok Yoke How

Aged 74, a Malaysian, is an Independent Non-executive Director of Ireka. He was appointed to the Board of Directors on 9 March 1992. He is a member of the Audit Committee and a Director of several subsidiaries within Ireka Group. A lawyer by profession, he was a consultant to a reputable legal firm in Kuala Lumpur.

SENIOR MANAGEMENT

Wong Yim Cheng
Group Company Secretary
Ireka Corporation Berhad

Tan Thiam Chai
Chief Executive Officer
Ireka Engineering & Construction Sdn Bhd

Ng Yau Siong
Deputy Chief Executive Officer
Ireka Engineering & Construction Sdn Bhd

Raymond Chin Yun Choi
Chief Operating Officer
Ireka Development Management Sdn Bhd

Chan Chee Kian
Chief Investment Officer
Ireka Development Management Sdn Bhd

Leonard Yee Yuke Dien
Chief Executive Officer
i-Tech Network Solutions Sdn Bhd

Yap Ket Bin
Chief Operating Officer
i-Tech Network Solutions Sdn Bhd

CORPORATE CALENDAR

Know-How is Ireka's business philosophy which it extends beyond the three core businesses to include making a contribution to society which it takes seriously in order to enhance the interests and value of all its stakeholders.

MAY 2013

- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 31 March 2013.

JUNE 2013

- IREKA CARES participated in a fund raising campaign organised by its adopted charity home, Rumah Kanak-Kanak Angels, Kuala Lumpur. The fund raising campaign is also a finale event where volunteers conducted various outreach programmes for the Home under the Leisure theme.

- Ireka Toastmasters Club held its 5th Annual General Meeting and elected a new committee for the 2013/2014 term. The club achieved Distinguished Club status for the 2012/ 2013 term.
- Ireka proposed to undertake a selective capital reduction and repayment exercise pursuant to Section 64 of the Companies Act, 1965 ('Proposed SCR').

AUGUST 2013

- IREKA CARES held a Housewarming Party at Rumah Kanak-Kanak Angels, Kuala Lumpur to mark the adoption of the children's home under the yearly theme of ENVIRONMENT. This is the 2nd consecutive year the Home was adopted by Ireka.
- Ireka Engineering & Construction Sdn Bhd ('IECSB') won a RM298.2 million contract from KL Eco City Sdn Bhd for the construction and completion of the main building works for 2 blocks of condominium of 48-storey and 56-storey respectively in Jalan Bangsar, Kuala Lumpur.
- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 30 June 2013.

SEPTEMBER 2013

- Ireka participated in The Edge™ - Bursa Malaysia Kuala Lumpur Rat Race 2013 for the 5th consecutive year. Ng Yau Siong (Deputy Chief Executive Officer, Ireka Engineering & Construction Sdn Bhd) represented Ireka in the 1km CEO Race.

- Ireka held its 37th Annual General Meeting at Bukit Kiara Equestrian & Country Resort, Kuala Lumpur.
- IECSB won a RM249.5 million contract from Urban DNA Sdn Bhd for the construction and completion of the superstructure works for one block of serviced residences and hotel of 40-storey in Jalan Kia Peng, Kuala Lumpur.

NOVEMBER 2013

- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 30 September 2013.

FEBRUARY 2014

- Ireka ushered in the Lunar New Year with a lion dance performance at its head office and all its developments in Mont' Kiara.
- Ireka held its Extraordinary General Meeting at Bukit Kiara Equestrian & Country Resort for the Proposed SCR. The minority shareholders rejected the proposal resulting Ireka to maintain its listing status on the Bursa Malaysia.
- Ireka announced its quarterly report on consolidated unaudited results for the financial period ended 31 December 2013.

FEBRUARY 2014 Cont'd

- Ireka proposed to undertake a renounceable two-call rights issue of 56,957,350 new ordinary shares of RM1.00 each together with 56,957,350 free detachable warrants on the basis of 1 rights share with 1 free warrant for every 2 existing ordinary shares held. The first call of RM0.65 per rights share was payable in cash on application and the second call of RM0.35 was capitalized from Ireka's share premium reserve.

MARCH 2014

- The Ireka Sports & Recreation Club ('ISRC') held its 18th Annual General Meeting and elected a new committee for the 2013/2014 term.
- Ireka Town Hall Address 2014 was held at the Aloft Kuala Lumpur Sentral Hotel for the 2nd consecutive year for employees to understand the Group's current priorities, business strategy and performance.

- Ireka's Annual Dinner 2014, themed "An Evening with Stars", was also held at the Aloft Kuala Lumpur Sentral Hotel and took place after the Town Hall event.
- i-Tech Network Solutions Sdn Bhd's green data centre, SAFEHOUSE, was awarded the ISO/IEC 27001:2005 - Information technology – Security techniques – Information Security Management Systems - by TUV SUD Management Service GmbH in Munich, Germany.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Ireka Corporation Berhad is committed to aligning its business goals and undertakings with corporate responsibility initiatives to further enhance the interests and values of all its stakeholders be they shareholders, investors, customers, residents, employees or the community at large.

ENVIRONMENT

Ireka strives to undertake its core businesses in a responsible manner to protect and improve the environment in which it operates in. Sustainability is the main objective and the key is to optimize resources utilization and reduce wastage.

The Infrastructure Unit constantly looks for environmentally-friendly construction materials and technology and over 70% of materials used is sourced locally.

The Real Estate Unit has formed a Green Committee which is tasked to consider and include environmentally friendly design features in its developments. This includes orientation of buildings, layout design, building materials selection and energy efficient lighting systems, to name a few.

The Technologies Unit's SAFEHOUSE, a secure 'green' data centre and ISO certified, continues to offer disaster recovery solutions, co-location and managed services. The data centre is designed for efficient energy consumption.

Ireka takes into consideration environment-friendly measures to reduce energy consumption during project construction and the maintenance of the project over its life cycle. For examples:

Rimbun Kasia, Nilai (dwi@Rimbun Kasia courtyard homes and town villa houses)

- Design features are bright and airy, minimizing the usage of electricity and providing good air ventilation; majority of the properties are north-east orientation.
- Cycle paths built on the development to reduce the use of vehicles and to encourage healthy living.
- Lushly landscaped open space with central park to cultivate a healthy community living environment for the neighbourhood.
- Rain water harvesting system at individual parcels and central park.


dwi@Rimbun Kasia courtyard homes

ASTA Enterprise Park, Kajang

- Environmentally friendly construction materials such as sheer wall to minimise the wastage of foam works and green technology products such as paints, flooring and sanitary ware.

ASTA Enterprise Park, Kajang

- Locally sourced materials to reduce the Company's carbon footprint.

- LED lighting to reduce electricity consumption.

WORKPLACE

Ireka places great importance on the welfare of its employees, which is fundamental to the Group's success. Ireka aims to create a workplace in which employees can work safely and comfortably. It nurtures a culture which motivates and supports its workforce to strive for excellence. Ireka's brand values – Integrity, Visionary and Entrepreneurial – also help to establish a firm base from which its employees can deliver excellent products and services, and to build a Group that its stakeholders can be proud of.

Some of the initiatives include:

- Ireka Sports & Recreation Club providing a range of activities for the benefit of staff.

- Human capital development programmes such as Ireka Toastmasters Club and various training programmes.

- Health, Safety and Environment (HSE) initiatives that promote a positive and safe work environment for employees (fire drills, evacuation plans, Crisis Management Response Team.

- Quality Control and Training (QCT) initiatives for Infrastructure Unit to continuously improve on the quality of works.

- Provision of private space for nursing mothers and those needing quiet time.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT cont'd

Ireka practices safe measures at all of its construction sites

- Provision of a staff lounge at the corporate office to encourage interaction and bonding among the employees.
- Production of a quarterly staff magazine, iPULSE to keep employees informed of the Group's developments and news.
- Organizing corporate events such as Town Hall for staff to learn about the Company's direction and to share views on organisational matters.

COMMUNITY

IREKA CARES is Ireka's flagship community engagement programme focusing on children and it was initiated in 2010. The initiative allows the Group to engage the communities in a focused manner and encourages Ireka's employees to participate and directly contribute to society.

The acronym "CARES" stands for Community; Arts; Recreation; Environment; and Sports – which form the core elements of IREKA CARES.

IREKA CARES' fourth year (July 2013 – July 2014) focused on the theme of Environment and we continued working with Rumah Kanak-Kanak Angels following the success of the immediate past term. Rumah Kanak-Kanak Angels was set up in 2004 to provide shelter for underprivileged or abandoned children below the age of 16 years old. The Home aims to provide the children with basic education to prepare them for a good start in life and for the real world when they grow up.

One of the many fun and educational outreach activities organised by IREKA CARES

CARES

COMMUNITY;
ARTS;
RECREATION;
ENVIRONMENT; and
SPORTS

Soap making workshop by Michelle Ho from Kindersoap

Home improvement works at Rumah Kanak Kanak

IREKA CARES focused on the theme of Environment and the activities for the term included a housewarming party, cultivation of a mini garden in the Home, home improvement works, festive New Year celebrations with healthy vegetarian meals, soap making workshop in collaboration with Kindersoap and an educational visit to the Botanical Gardens. Members of the Action Committee and volunteers from Ireka worked hard throughout the year to ensure the activities were exciting and meaningful for the children.

Complementing IREKA CARES, listed below are other community engagement activities and organisations supported by Ireka during the year:

- Malam Amal Tahajjud Cinta Charity Night organised by Yayasan AIDS Malaysia in aid of the Malaysian AIDS Foundation and Yayasan Ihtimam Malaysia
- The Edge™ - Bursa Malaysia Kuala Lumpur Rat Race 2013
- Nalanda Buddhist Society
- Perwira K9 Malaysia
- Kwong Ngai Lion Dance in participating in the World Lion Dance Competition

MARKETPLACE

Ireka continuously seeks to interact in a responsible manner with its key stakeholders including shareholders, investors, owners, suppliers, customers, Government, regulators, financiers as well as our valued business associates.

Some of the key initiatives in place include:

- Investor Relations Policy
- Quarterly CiTi-ZEN magazine
- Media Policy
- Customer Relationship Management
- Crisis Communication Processes and Procedures
- Well-defined procurement systems and processes

A

Application of its ideas is a capability that Ireka has demonstrated over the years and the reason that Ireka has grown in strength and is able to stand at the forefront of the construction, property and technologies industry, both in Malaysia and abroad.

Rimbun Kasia, Nilai

CORPORATE GOVERNANCE STATEMENT

The Board of Directors remains committed to ensuring that good corporate governance principles continue to be developed and implemented throughout the Group with the ultimate objective of enhancing shareholders' value, whilst taking into account the interests of other stakeholders.

As required under the Main Market Listing Requirements ('Listing Requirements') of Bursa Malaysia Securities Berhad ('Bursa Malaysia'), this Statement reports on how the Malaysian Code on Corporate Governance 2012 ('the Code') are applied by the Group in addition to the Listing Requirements throughout the financial year ended 31 March 2014. Except for matters specifically identified, the Board of Directors has generally complied with the recommendations set out in the Code.

A. THE BOARD OF DIRECTORS

i. The Board

The Group is led by an effective Board which comprises members of calibre from a diverse blend of professional backgrounds ranging from business, legal, finance and accounting experience. The Board views its current composition encompasses right mix of skills and strength in qualities which are relevant and enable the Board to discharge its responsibilities in an effective and competent manner. The profiles of these Directors are provided on pages 18 to 20 of the Annual Report.

The Board has the overall responsibility in determining and leading the Group's strategic decision. It oversees the conduct of the Group's businesses, ensuring appropriate control system is in place as well as regularly reviewing such system to ensure its adequacy in midst of the competitive business environment, the succession planning of senior management and the implementation of investor relations programme.

ii. Board Charter

The Board has a Board Charter which sets out the functions, roles and responsibilities of the Board as well as the various internal processes and principles governing the Board. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board Charter will be reviewed from time to time and updated in accordance with the requirements of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is available for reference at the Company's website at www.ireka.com.my.

iii. Code of Conduct

The Board observes the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia ('Code of Ethics'). The Code of Ethics sets out the standard of conduct and ethical behaviour for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility.
To inculcate good ethical conduct, the Group has established a Code of Conduct for employees, encapsulated in the Group's Human Resources Policy, which has been communicated to all levels of employees in the Group.

iv. Sustainability

The Company is committed to deliver long-term sustainable values to the stakeholders of the Company. The Company's employees' welfare, workforce, marketplace, environment and communities are integral part of the Company's social obligation in conducting its business. Details of the Company's social activities are disclosed in the Corporate Social Responsibility Statement of the Company's Annual Report.

v. Board Balance and Independence

The Board currently has nine (9) members comprising an Independent Non-executive Chairman, two (2) Independent Non-executive Directors and six (6) Executive Directors.

There is a clear division of responsibility between the Chairman and the Group Managing Director to ensure that there is a balance of power and authority. The Chairman is primarily responsible for ensuring Board effectiveness whilst the Managing Director is responsible for the competent and efficient management of the business and operation.

The Board has a balance composition with presence and participation of Independent Non-executive Directors that bring independent judgment to Board decisions. The role of these Independent Non-executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated and decisions are arrived at after taking into account the interest of the Group.

The Board has identified Haji Mohd. Sharif bin Haji Yusof as the Senior Independent Non-executive Director to whom concerns relating to the Company may be conveyed by shareholders and stakeholders.

vi. Tenure of Independent Directors

The Board noted the recommendation of the Code on the tenure of independent directors should not exceed a cumulative term of nine (9) years. However, the Board have reviewed and determined that all the three (3) Independent Non-executive Directors, namely Haji Ir. Abdullah bin Yusof, Haji Mohd. Sharif bin Haji Yusof and Kwok Yoke How, who have served on the Board for more than 9 years, remain objective and independent in expressing their views and in participating in deliberations and decision making of the Board and Board Committees. The length of their service on the Board does not in any way interfere with their exercise of independent judgment and ability to act in the best interest of the Company.

The Independent Non-executive Directors do not participate in the day-to-day management of the Company and they remain free of material business or relationship with the Company which could reasonably be perceived to materially interfere with their exercise of independent judgment. The suitability and ability of an Independent Director to carry out his roles and responsibilities effectively are very much a function of his calibre, qualifications, experience and personal qualities.

The Board does not impose a term of limit for Independent Non-executive Directors as the Board believes that continued contribution provides benefits for the Board and the Company as a whole. The Board is of the view that there are significant advantages to be gained from the long-serving Independent Non-executive Directors who provide invaluable insight and possesses knowledge of the affairs of the Company.

All the Independent Non-executive Directors, being above 70 years old, are annually subject to re-appointment by shareholders at the annual general meeting in accordance with Section 129 of the Companies Act, 1965. The Board is recommending to shareholders for approval to retain them as Independent Non-executive Directors at the forthcoming annual general meeting of the Company. Details of the ordinary resolutions seeking the re-appointment of these 3 Independent Non-executive Directors are set out in the notice of the 38th Annual General Meeting of the Company.

vii. Board Meetings and Supply of Information

The Board meets at least five (5) times a year, with additional meetings being held as and when necessary. During the year ended 31 March 2014, the Board met for a total of eight (8) times and their respective attendance are as follows:

Name of Directors	Attendance
Haji Ir. Abdullah bin Yusof	8/8
Datuk Lai Siew Wah *P.G.D.K.*	8/8
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	8/8
Chan Soo Har @ Chan Kay Chong	8/8
Lai Man Moi	8/8
Lai Voon Hon	7/8
Lai Voon Huey, Monica	8/8
Haji Mohd. Sharif bin Haji Yusof	7/8
Kwok Yoke How	7/8

CORPORATE GOVERNANCE STATEMENT cont'd

All Board members are provided with Board report containing relevant documents and information prior to board meeting to enable the Directors to discharge their duties effectively. All Directors have the right and duty to make further enquiries where they consider necessary. Members of the senior management team are invited to provide insight and to furnish clarification on issues that may be raised by the Board. At the quarterly board meetings, the Board reviews and discusses the business performance of the Group. All proceedings of the Board meetings covering the deliberations of issues and the conclusions are recorded in the minutes and later confirmed by the Board.

The Board, whether as a full Board or in their individual capacity, has unrestricted access to all information pertaining to the Group's business affairs and right to seek independent professional advice, if necessary, at the Group's expense, to enable them to discharge their duties effectively.

In addition, all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board meeting procedures, applicable rules and regulations are adhered to. The Directors may also seek advice from the management on issues under their respective purview.

viii. Appointments to the Board

All Board appointments are approved by the Board upon the recommendation of the Nomination Committee. The Nomination Committee is made up exclusively of Independent Non-executive Directors namely Haji Mohd. Sharif bin Haji Yusof (Chairman), Haji Ir. Abdullah bin Yusof and Kwok Yoke How.

The Nomination Committee is responsible for identifying, recruiting and recommending candidates for directorships and also to fill the seats of Board Committees. For new appointments to the Board, the Nomination Committee shall consider, within the bounds of practicability, any proposals for new appointment for evaluation and recommendation. In addition, the Nomination Committee assesses the effectiveness of the Board as a whole and the Board Committees, and also the contribution of each Director. The Board, through the Nomination Committee, reviews periodically its required mix of skills and experience and other qualities, including core competencies, which Non-executive Directors should bring to the Board. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions are properly documented.

The Directors from time to time attend training programmes, seminars and talks to keep abreast with recent developments of the state of economy, management strategies and practices, laws and regulations to enhance their knowledge and skills in order to discharge their duties effectively. The Company Secretary updated the Directors the changes to the Listing Requirements and key corporate governance developments from time to time.

ix. Re-election of Directors

Article 91(3) of the Company's Articles of Association (the 'Articles') provides that all Directors shall retire from office at least once in every three years, but shall be eligible for re-election.

Article 98 of the Articles provides that all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following annual general meeting and shall be eligible for re-election.

At the forthcoming Annual General Meeting, Lai Voon Huey, Monica retiring pursuant to Article 91 of the Articles, and being eligible, offered herself for re-election.

In addition, the following Directors who are of or over the age of seventy years, retiring in accordance with Section 129 of the Companies Act, 1965, and being eligible, offered themselves for re-appointment:

(i) Haji Ir. Abdullah bin Yusof;
(ii) Datuk Lai Siew Wah *P.G.D.K.*;
(iii) Haji Mohd. Sharif bin Haji Yusof;
(iv) Kwok Yoke How; and
(v) Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM.*

The Directors retiring pursuant to Section 129 of the Companies Act, 1965 may be re-appointed by a majority of not less than three-fourths of such members of the Company at the meeting. The Nomination Committee has assessed the performance of the abovementioned Directors and recommended to the Board for their re-election and re-appointment to be tabled for shareholders' approval at the forthcoming Annual General Meeting.

x. Commitment of the Board

The Board is satisfied with the amount of time committed by the Board in discharging their duties and roles as Directors of the Company. All the Directors of the Company complied with the Listing Requirements on the number of directorships held in the public listed companies, which is not more than five directorships.

An annual corporate meeting calendar is prepared in advance and circulated to all Board members before the beginning of every year which provides the scheduled meetings dates for the Board, Board Committees and the Annual General Meeting to be organized by the Company to facilitate the planning of Directors' time.

B. DIRECTORS' REMUNERATION

i. The Level and Make-up of Remuneration

The Board has adopted the objective as recommended by the Code to determine the remuneration for a Director so as to ensure it is sufficient to attract, retain and motivate the Directors needed to manage the Group successfully. In the case of Executive Directors, the component parts of remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular Non-executive Directors concerned.

ii. Procedure

The Remuneration Committee consists of a majority of Non-executive Directors namely Kwok Yoke How (Chairman), Haji Mohd. Sharif bin Haji Yusof and Datuk Lai Siew Wah. The Remuneration Committee is responsible for recommending the remuneration packages of Executive Directors for consideration and approval by the Board. The Executive Directors play no part in decision on their own remuneration. The Remuneration Committee reviews the remuneration packages of Executive Directors based on their responsibilities and scope of work, corporate and individual performance, drawing from outside advice as necessary.

The determination of the remuneration of the Non-executive Directors is a matter for the Board as a whole. The Company reimburses reasonable expenses incurred by these Directors in the course of their duties as Directors. Non-executive Directors do not participate in decision on their own remuneration packages.

The Directors' fees are recommended by the Board and approved by the shareholders at the Annual General Meeting.

iii. Disclosure

The details of the remuneration of Directors during the financial year ended 31 March 2014 are as follows:

1. Aggregate remuneration of Directors categorized into appropriate components:

	Salaries (RM'000)	Fees (RM'000)	Bonus & Incentives (RM'000)	Benefits-In-Kind (RM'000)	Total (RM'000)
Executive Directors	4,219	234	169	0	4,622
Non-executive Directors	0	106	0	0	106

2. Number of Directors whose remuneration during the financial year falls into the following bands:

	Number of Directors	
Range of Remuneration	**Executive**	**Non-executive**
RM50,000 and below	–	3
RM650,001 – RM700,000	3	–
RM750,001 – RM800,000	1	–
RM800,001 – RM850,000	1	–
RM950,001 – RM1,000,000	1	–

C. SHAREHOLDERS

i. Dialogue between the Company and Investors

The Board values regular communications with shareholders and investors. These include various announcements made during the year, the timely release of annual reports, circulars to shareholders, press releases, announcements on quarterly and annual financial results, which provide shareholders with an overview of the Group's business and financial performances. The Chairman and Executive Directors hold discussions with shareholders and journalists immediately after general meetings. The Executive Directors together with the Management also hold regular meetings with analysts and investors to present and update on the Group's strategy, performance and major developments.

In addition, the Group has a website, www.ireka.com.my that shareholders and investors can access for up-to-date information.

ii. Dividend Policy

The Company has established a Dividend Policy of distributing a minimum of 40% of the Group's net earnings to its shareholders, subject to a number of factors which include availability of distributable reserves and the Group's future cash flow requirements.

iii. Annual General Meeting

The Annual General Meeting is the principal forum for dialogue and interaction with the shareholders. The Board presents an overview of the performance of businesses in the Group to keep the shareholders informed and updated on current developments of the Group. All shareholders are encouraged to participate in the question and answer sessions. Every opportunity is given to the shareholders to ask questions and seek clarification on the business and affairs of the Company and the Group.

Notice of the Annual General Meeting and related papers are sent out to the shareholders at least 21 days before the date of the meeting.

Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the purpose and effect of a proposed resolution. The Chairman declares the number of proxy votes received both for and against each resolution. The outcome of all resolutions proposed at the general meeting is announced via Bursa LINK at the end of the meeting day.

D. ACCOUNTABILITY AND AUDIT

i. Financial Reporting

The Board aims to present a balanced, clear and meaningful assessment of the Group's position and prospect in all their reports to the shareholders, investors and regulatory authorities. This assessment is primarily provided in the Annual Report through the Chairman's Statement, Management Discussion & Analysis and annual financial statements.

The timely quarterly results announcements also reflect the Board's commitment to give regular updated assessment on the Group's performances.

ii. Statement of Directors' Responsibility for preparing the Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards so as to give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the results and cash flows of the Company and the Group for the financial year then ended.

In preparing the financial statements, the Directors have:

- applied suitable and approved accounting policies consistently;
- made reasonable, prudent judgment and estimates;
- ensured strict adherence of all applicable accounting standards; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and the Group which enable them to ensure that the financial statements comply with the financial reporting standard and the Companies Act, 1965 in Malaysia.

The Directors have overall responsibilities to take such steps as reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

iii. Internal Control

The Group's Statement on Risk Management and Internal Control is set out on pages 36 to 37.

iv. Relationship with the Auditors

The role of the Audit Committee in relation to the external auditors is stated on page 38.

v. Audit Committee

The current Audit Committee comprises three (3) Independent Non-executive Directors. The Chairman of the Audit Committee is a member of the Malaysian Institute of Accountants. The composition and report of the Audit Committee for the year ended 31 March 2014 are set out on pages 38 to 40 of this Annual Report.

HAJI Ir. ABDULLAH BIN YUSOF
Chairman

DATUK LAI SIEW WAH *P.G.D.K.*
Group Managing Director

28 August 2014

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements, the Board of Directors of Ireka Corporation Berhad is pleased to report to the shareholders the state of risk management and internal controls of the Group for the financial year ended 31 March 2014. This Statement has been prepared in accordance with the above requirements and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group's system of risk management and internal controls, which includes the establishment of an appropriate control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to ensure that the Group's assets and the shareholders' interests are safeguarded.

Due to the inherent limitations in any system of risk management and internal controls, the system put in place by Management can only reduce rather than eliminate all risks of failure to achieve the Group's business objectives. Consequently, the system can only provide reasonable but not absolute assurance against material misstatement or loss. The Group's system does not apply to associated companies where the Group does not have full management over these companies.

The Board is of the view that the system of risk management and internal controls in place for the year under review and up to the date of issuance of this Statement, is appropriate to business operations and that risks taken are at a reasonable level within the operations of the Group. The Board has received assurance from the Group Managing Director and Chief Financial Officer that the Group's system of risk management and internal controls is operating adequately and effectively, in all material aspects, based on the system of risk management and internal controls of the Group.

RISK MANAGEMENT

The Board recognises that an effective risk management practices is essential for the Group in pursuit of its corporate objectives, in today's challenging business environment. Key Management staff and Divisional Heads are delegated with the responsibilities for identification and management of risks in their day-to-day operations within defined parameters and standards. The deliberation of risks and related mitigating responses are carried out at the periodic management meetings attended by the Executive Directors and Key Management staff. Significant risks are communicated to the Board at their scheduled meetings.

The above mentioned practices are the initiatives carried out by Management for the ongoing identification and mitigation of risks of the Group. The Board shall re-evaluate the Group's existing risk management process to ensure it is appropriate and continues to remain relevant to the Group's requirements.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function is outsourced to professional service firm to assist the Board and Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The Internal Auditors report directly to the Audit Committee.

During the financial year ended 31 March 2014, the Internal Audit function carried out audit reviews in accordance with the internal audit plan approved by the Audit Committee. The results of the audit reviews and the recommendations for improvement were presented to the Audit Committee at their quarterly meetings. In addition, follow up visits were also conducted to ensure that corrective action plans have been implemented in a timely manner and the results of the follow up reviews were also presented to the Audit Committee at their quarterly meetings.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are described as follows:

- clearly defined delegation of responsibilities to committees of the Board and to Management of operating units, including authorization levels for all respects of the business which are set out in the authority matrix;
- clearly documented internal procedures in respect of operational and financial processes as set out in the MS ISO Quality System Documents and the Financial Processes Manual;
- regular and comprehensive information provided to Management, covering financial performance and key business indicators;
- a detailed budgeting process where operating units prepare budgets for coming year;
- monitoring of results against budget, with major variances being followed up and management actions taken, where necessary;
- regular visits to operating units by Board members and Senior Management;
- regular review of business to assess effectiveness of internal controls; and
- review and approval of annual internal audit plan by the Audit Committee on behalf of the Board.

REVIEW OF STATEMENT

The external auditors have reviewed this Statement for inclusion in the Annual Report 2014, and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of risk management and internal controls.

CONCLUSION

There have been no significant weaknesses noted during the year which have resulted in any material losses.
The Board is of the view that the Group's system of risk management and internal controls is adequate and effective to safeguard shareholders' investments and the Group's assets. However, the Board is also cognizant of the fact that the Group's system of risk management and internal controls practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board shall continue to take appropriate and necessary measures to further enhance the existing system of risk management and internal controls.

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 March 2014.

COMPOSITION

The Audit Committee comprises three (3) Independent Non-executive Directors, namely Haji Mohd. Sharif bin Haji Yusof (Chairman), Kwok Yoke How and Haji Ir. Abdullah bin Yusof.

FREQUENCY OF MEETINGS

The Committee held six (6) meetings during the financial year ended 31 March 2014 and the details of the meeting attendance of each of the members are as follows:

Members	Attendance
Haji Mohd. Sharif bin Haji Yusof	6/6
Kwok Yoke How	5/6
Haji Ir. Abdullah bin Yusof	6/6

The Executive Director/Group Financial Controller attended these meetings upon the invitation of the Chairman of Audit Committee. The external auditors and internal auditors were also invited to attend these meetings when matters relating to their scope of works were discussed.

SUMMARY OF ACTIVITIES

During the financial year 2014, the Audit Committee carried out its duties as set out in the terms of reference. The main activities carried out by the Audit Committee encompassed the following:

i. Financial Reporting

- Reviewed the quarterly and year-to-date unaudited financial results of the Group before tabling to the Board for consideration and approval.

- Reviewed the reports and annual audited financial statements of the Company and of the Group together with the external auditors prior to tabling to the Board for approval.

ii. External Audit

- Reviewed and discussed the external auditors' audit plan for the year and areas of concern highlighted in the management letter, including management's response to the concerns raised by the external auditors.

- Discussed on significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements.

iii. Internal Audit

- Reviewed the internal audit plan to ensure proper and adequate focus is placed on the Group's activities.

- Reviewed the internal audit reports which highlighted audit issues, recommendations and the Management's responses and where necessary, directed measures in addition to the internal auditors' recommendations to enhance the system of internal controls.

iv. Related Party Transactions

- Reviewed all related party transactions entered into by the Company and the Group.

- Reviewed the actual values of recurrent related party transactions entered into by the Company and the Group against the approved estimated values mandated by shareholders.

TERMS OF REFERENCE

i. Membership

- The Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three (3) members, a majority of whom shall be independent directors.

- At least one (1) member of the Committee must be a member of the Malaysian Institute of Accountants or similar qualification as prescribed in Part I or Part II of the First Schedule of the Accountants Act, 1967 with at least 3 years' working experience.

- No Alternate Director may be appointed as a member of the Committee.

- The members of the Committee shall elect a Chairman from among their members who shall be an Independent Non-executive Director.

- In the event of any vacancy in the Committee resulting in the number of Directors falling below three (3) members, the Board of Directors must fill the vacancy within three (3) months to make up the minimum number of three (3) members.

- The Board shall review the terms of office and performance of the Committee and each of its members at least once every three (3) years to determine whether the Committee and members have carried out their duties in accordance with their terms of reference.

ii. Authority

- The Committee is authorised by the Board to investigate any matter within its terms of reference.

- The Committee is authorised to obtain any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

- The Committee shall have unrestricted access to any information pertaining to the Group, from both the internal and external auditors, and have the power to carry out Internal Audit function or activity and is able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

- The Committee is authorised to obtain external legal or other independent professional advice as necessary.

iii. Duties and Responsibilities

The duties of Committee shall be among others:

(a) To review the following and report the same to the Board of Directors:

  - with the external auditors, the audit plan;

  - with the external auditors, their evaluation of the system of internal controls;

  - with the external auditors, the audit report, in the absence of management where necessary;

  - the assistance given by the employees of the Company to the external auditors;

  - the adequacy of the scope, functions and resources of the Internal Audit function and that it has the necessary authority to carry out its work;

  - the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the Internal Audit function;

  - the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on:

    (i) changes in or implementation of major accounting policy;

    (ii) compliance with accounting standards and other legal requirements; and

    (iii) significant and unusual events.

- any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

- any letter of resignation from the external auditors of the Company; and

- whether there is a reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.

(b) To promptly report to the Bursa Malaysia Securities Berhad of matters reported by the Audit Committee to the Board of Directors which have not been satisfactorily resolved, resulting in a breach of the Bursa Malaysia Securities Berhad's Listing Requirements.

(c) To recommend the nomination of a person or persons as external auditors.

(d) To engage on a continuous basis with senior management, such as the Chairman of the Board, the Executive Director(s), the Head of Finance, the internal auditors and the external auditors in order to be kept informed of matters affecting the Company, when necessary.

iv. Meetings

- Meetings shall be held not less than four (4) times a year. In addition, the Chairman is required to call for a meeting of the Committee, if requested to do so by any Committee members, any Executive Directors or the external auditors.

- A quorum shall be two (2) members, majority of whom must be independent directors.

- Other directors and employees may attend any particular Audit Committee meeting only at the Committee's invitation, specific to the relevant meeting.

- The Company Secretary shall be the Secretary to the Committee.

v. Reporting Procedure

- The Secretary shall be responsible for keeping the minutes of meetings of the Committee and circulating them to all members of the Committee and other members of the Board. The Chairman of the Committee shall report on each meeting to the Board.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function, which is outsourced to a professional service firm, is an integral part of the assurance mechanism in ensuring that the Group's system of internal controls is adequate and effective. The Internal Audit function reports directly to the Audit Committee.

On an annual basis, an internal audit plan is tabled to the Audit Committee for review and approval, and the Internal Audit function executes the audits based on the approved plan. The results of the audit reviews are periodically reported to the Audit Committee. In addition, the Internal Audit function carries out follow up reviews to ensure that previously reported issues have been adequately addressed by Management and the results of such reviews are also periodically reported to the Audit Committee. Although a number of internal control weaknesses were identified, none of the weaknesses have resulted in any material losses that would require separate disclosure in this annual report.

The total costs incurred for the outsourcing of the Internal Audit function for the financial year ended 31 March 2014 was approximately RM56,000.00.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2014.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries within the Group are stated in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
(Loss)/Profit before tax	(25,680,849)	38,796,537
Taxation	(1,636,662)	–
(Loss)/Profit for the year	(27,317,511)	38,796,537
Attributable to:		
Owners of the Company	(27,317,511)	38,796,537

DIVIDENDS

The Directors do not recommend payment of any dividend in respect of the financial year ended 31 March 2014.

DIRECTORS OF THE COMPANY

The Directors who held office during the year since the date of the last report and at the date of this report are:

Haji Ir. Abdullah Bin Yusof
Datuk Lai Siew Wah
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*
Haji Mohd Sharif Bin Haji Yusof
Chan Soo Har @ Chan Kay Chong
Lai Man Moi
Kwok Yoke How
Lai Voon Hon
Lai Voon Huey

DIRECTORS' BENEFITS

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

No Director has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 35 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in ordinary shares of the Company were as follows:

Interest in ordinary shares of the Company:

Number of ordinary shares of RM1 each

	AT 1.4.2013	ADDITION	DISPOSAL	AT 31.3.2014
Direct Holding -				
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	4,827,100	221,000	–	5,048,100
Chan Soo Har @ Chan Kay Chong	2,184,750	–	–	2,184,750
Lai Man Moi	2,040,750	–	–	2,040,750
Haji Ir. Abdullah Bin Yusof	1,500,000	–	–	1,500,000
Kwok Yoke How	1,742,603	–	–	1,742,603
Lai Voon Hon	12,000	–	–	12,000
Lai Voon Huey	6,000	–	–	6,000
Haji Mohd Sharif Bin Haji Yusof	250,000	–	(250,000)	–
Indirect Holding -				
Datuk Lai Siew Wah (i)	49,001,998	–	–	49,001,998
Lai Voon Hon (i)	49,001,998	–	–	49,001,998
Lai Voon Huey (i)	49,001,998	–	–	49,001,998
Chan Soo Har @ Chan Kay Chong (ii)	15,398,248	–	–	15,398,248
Lai Man Moi (ii)	15,398,248	–	–	15,398,248

(i) Deemed interest through Ideal Land Holdings Sdn Bhd
(ii) Deemed interest through Green Rivervale Holdings Sdn Bhd

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

There has been no change in the issued and paid-up capital of the Company during the financial year.

The Group and the Company have not issued any debentures during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there were no known bad debts and that adequate provision has been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets, which were unlikely to realise their values as shown in the accounting records of the Group and of the Company in the ordinary course of business have been written down to an amount which they might be expected to so realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year except as disclosed in Note 36 to the financial statements.

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year ended 31 March 2014.

SHARE BUY-BACK

The Company did not purchase its own shares during the financial year ended 31 March 2014.

AMERICAN DEPOSITORY RECEIPT ("ADR")/GLOBAL DEPOSITORY RECEIPT ("GDR")

The Company did not sponsor any ADR or GDR programme during the financial year ended 31 March 2014.

SANCTIONS AND/OR PENALTIES IMPOSED

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year ended 31 March 2014.

VARIANCES IN RESULTS

The variance between the financial results ended 31 March 2014 and the unaudited results previously announced is less than 10%.

PROFIT GUARANTEE

There were no profit guarantees given by the Company during the financial year ended 31 March 2014.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies which involved Directors' and major shareholders' interest, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made except disclosed in Note 40 to the financial statements.

DIRECTORS' REPORT cont'd

AUDITORS

The retiring auditors, Raja Salleh, Lim & Co., have expressed their willingness to be re-appointed in accordance with Section 172(2) of the Companies Act, 1965.

SIGNED ON BEHALF OF THE BOARD IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

DATUK LAI SIEW WAH
Director

DATUK LAI JAAT KONG @ LAI FOOT KONG
Director

Kuala Lumpur – 24 July 2014

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169 (15) OF THE COMPANIES ACT, 1965

We, **DATUK LAI SIEW WAH** and **DATUK LAI JAAT KONG @ LAI FOOT KONG** *PJN, JSM,* being two of the Directors of **IREKA CORPORATION BERHAD,** do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 51 to 123 are drawn up in accordance with applicable Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2014 and of their financial performance and cash flows for the year then ended.

The supplementary information set out in Note 41 to the financial statements have been complied in accordance with the Guidance of 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, as issued by the Malaysian Institute of Accountants.

SIGNED ON BEHALF OF THE BOARD IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

DATUK LAI SIEW WAH
Director

DATUK LAI JAAT KONG @ LAI FOOT KONG
Director

Kuala Lumpur – 24 July 2014

STATUTORY DECLARATION

PURSUANT TO SECTION 169 (16) OF THE COMPANIES ACT, 1965

I, **LAI VOON HUEY,** being the Director primarily responsible for the accounting records and financial management of **IREKA CORPORATION BERHAD,** do solemnly and sincerely declare that the financial statements as set out on pages 51 to 123 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
LAI VOON HUEY
NRIC No. 660508-10-6572
at KUALA LUMPUR
in the state of WILAYAH PERSEKUTUAN
on 24 July 2014

LAI VOON HUEY

Before me,

PESURUHJAYA SUMPAH
No: W 562
Nama: MOHAMMAD
ROSLAN BIN MUSTAFA
MALAYSIA

H-1-10,
Plaza Damas,
Jalan Sri Hartamas 1,
50480 Kuala Lumpur

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IREKA CORPORATION BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **IREKA CORPORATION BERHAD,** which comprise the statements of financial position as at 31 March 2014 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of 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 51 to 123.

Directors' Responsibility for the Financial Statements

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 March 2014 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report 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 8 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

The supplementary information set out in Note 41 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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.

RAJA SALLEH, LIM & CO.
AF-0071
Chartered Accountants

RAJA MOHAMAD SALLEH BIN RAJA ABDUL RAHMAN
244/04/15 (J/PH)
Chartered Accountant

Petaling Jaya – 24 July 2014

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2014

	NOTE	GROUP 2014 RM	GROUP 2013 RM	COMPANY 2014 RM	COMPANY 2013 RM
ASSETS					
Non-current assets					
Property, plant and equipment	6	**59,338,973**	57,099,946	**3,980,603**	4,451,796
Investment properties	7	**19,902,826**	23,799,120	**–**	–
Investment in subsidiaries	8	**–**	–	**64,649,668**	64,599,668
Investment in associates	9	**131,986,972**	148,818,987	**169,052,002**	169,052,002
Other investments	10	**2,377,793**	1,512,968	**275,500**	275,510
Land held for property development	11	**43,720,765**	39,124,382	**–**	–
Deferred tax assets	12	**–**	180,000	**–**	–
		257,327,329	270,535,403	**237,957,773**	238,378,976
Current assets					
Property development cost	13	**34,945,706**	30,780,008	**–**	–
Inventories	14	**16,429,110**	11,057,820	**–**	–
Trade and other receivables	15	**141,118,416**	130,683,243	**2,194,408**	4,458,484
Amounts due from customers on contracts	16	**42,679,203**	37,369,367	**–**	–
Amounts due from subsidiaries	17	**–**	–	**38,054,731**	47,970,507
Amounts due from associates	18	**14,876,908**	14,876,020	**14,876,908**	14,876,020
Cash and cash equivalents	19	**36,375,295**	16,662,522	**3,815,719**	3,148,587
		286,424,638	241,428,980	**58,941,766**	70,453,598
Assets of disposal group classified as held for sale	20	**–**	6	**–**	6
		286,424,638	241,428,986	**58,941,766**	70,453,604
TOTAL ASSETS		**543,751,967**	511,964,389	**296,899,539**	308,832,580
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	21	**113,914,700**	113,914,700	**113,914,700**	113,914,700
Share premium	21	**21,870,960**	21,870,960	**21,870,960**	21,870,960
Foreign currency translation reserve	22	**(191,065)**	(442,400)	**–**	–
Retained earnings		**16,151,580**	43,469,091	**106,725,824**	67,929,287
Total equity		**151,746,175**	178,812,351	**242,511,484**	203,714,947
Non-current liabilities					
Borrowings	23	**47,703,612**	47,471,402	**17,300**	137,162
Deferred tax liabilities	12	**3,241,100**	3,242,500	**610,000**	610,000
		50,944,712	50,713,902	**627,300**	747,162

STATEMENTS OF FINANCIAL POSITION cont'd
AS AT 31 MARCH 2014

		GROUP		COMPANY	
		2014	2013	2014	2013
	NOTE	RM	RM	RM	RM
Current liabilities					
Provision	24	**14,000,000**	14,000,000	**–**	–
Trade and other payables	25	**183,880,082**	161,809,053	**8,918,028**	5,640,903
Amounts due to subsidiaries	17	**–**	–	**42,227,250**	96,055,153
Borrowings	23	**141,422,659**	104,048,029	**1,931,408**	1,990,346
Amounts due to customers on contracts	16	**155,835**	–	**–**	–
Tax payable		**1,602,504**	2,581,054	**684,069**	684,069
		341,061,080	282,438,136	**53,760,755**	104,370,471
Total liabilities		**392,005,792**	333,152,038	**54,388,055**	105,117,633
TOTAL EQUITY AND LIABILITIES		**543,751,967**	511,964,389	**296,899,539**	308,832,580

The accompanying notes form an integral part of the financial statements

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

	NOTE	GROUP 2014 RM	GROUP 2013 RM	COMPANY 2014 RM	COMPANY 2013 RM
Continuing operations					
Revenue	26	**289,676,087**	329,932,405	**55,348,421**	55,183,648
Cost of sales	27	**(258,430,810)**	(302,078,136)	**–**	–
Gross profit		**31,245,277**	27,854,269	**55,348,421**	55,183,648
Other income	28	**6,103,915**	4,283,779	**2,620,557**	3,126,503
Administration expenses		**(24,387,566)**	(24,675,815)	**(11,645,194)**	(11,974,309)
Other expenses		**(14,853,319)**	(17,796,410)	**(7,375,439)**	(13,931,719)
Operating (loss)/profit		**(1,891,693)**	(10,334,177)	**38,948,345**	32,404,123
Finance costs	29	**(8,373,836)**	(8,376,593)	**(151,808)**	(170,494)
Share of loss of associates		**(15,415,320)**	(19,715,757)	**–**	–
(Loss)/Profit before tax	30	**(25,680,849)**	(38,426,527)	**38,796,537**	32,233,629
Income tax expense	31	**(1,636,662)**	(1,786,163)	**–**	(684,069)
(Loss)/Profit for the financial year		**(27,317,511)**	(40,212,690)	**38,796,537**	31,549,560
Other comprehensive income/(loss):					
Currency translation differences		**251,335**	(123,404)	**–**	–
Others comprehensive income/(loss) for financial year, net of tax		**251,335**	(123,404)	**–**	–
Total comprehensive (loss)/income for the financial year		**(27,066,176)**	(40,336,094)	**38,796,537**	31,549,560
(Loss)/Profit attributable to owners of the Company		**(27,317,511)**	(40,212,690)	**38,796,537**	31,549,560
Total comprehensive (loss)/ income attributable to owners of the Company		**(27,066,176)**	(40,336,094)	**38,796,537**	31,549,560
Loss per share attributable to owners of the Company (sen)					
Basic	32	**(23.98)**	(35.30)		

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	ATTRIBUTABLE TO OWNERS OF THE COMPANY				
	NON-DISTRIBUTABLE			DISTRIBUTABLE	
	SHARE CAPITAL RM	SHARE PREMIUM RM	FOREIGN CURRENCY TRANSLATION RESERVE RM	RETAINED EARNINGS RM	TOTAL EQUITY RM
As at 1 April 2012	113,914,700	21,870,960	(318,996)	89,377,516	224,844,180
Dividends	–	–	–	(5,695,735)	(5,695,735)
Total comprehensive loss for the year	–	–	(123,404)	(40,212,690)	(40,336,094)
As at 31 March 2013	**113,914,700**	**21,870,960**	**(442,400)**	**43,469,091**	**178,812,351**
Total comprehensive loss for the year	**–**	**–**	**251,335**	**(27,317,511)**	**(27,066,176)**
As at 31 March 2014	**113,914,700**	**21,870,960**	**(191,065)**	**16,151,580**	**151,746,175**

The accompanying notes form an integral part of the financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2014

		NON-DISTRIBUTABLE	DISTRIBUTABLE	
	SHARE CAPITAL RM	**SHARE PREMIUM RM**	**RETAINED EARNINGS RM**	**TOTAL EQUITY RM**
As at 1 April 2012	113,914,700	21,870,960	42,075,462	177,861,122
Dividends	–	–	(5,695,735)	(5,695,735)
Total comprehensive income for the year	–	–	31,549,560	31,549,560
As at 31 March 2013	**113,914,700**	**21,870,960**	**67,929,287**	**203,714,947**
Total comprehensive income for the year	**–**	**–**	**38,796,537**	**38,796,537**
As at 31 March 2014	**113,914,700**	**21,870,960**	**106,725,824**	**242,511,484**

The accompanying notes form an integral part of the financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	NOTE	2014 RM	2013 RM
Cash flow from operating activities			
Loss before tax from			
- Continuing operations		**(25,680,849)**	(38,426,527)
Adjustments for:			
Assets of disposal group classified as held for sale - Written-off		**6**	–
Bad debt written off		**2,580,895**	6,006,140
Interest expense - Continuing operations		**8,373,836**	8,376,593
Interest income		**(269,211)**	(484,009)
Investment properties - Gain on disposals		**(1,355,973)**	(920,972)
Other investments - Impairment loss		**–**	1,170,817
- Loss on disposal		**–**	24,055
- Reversal of impairment loss		**(864,825)**	–
Property, plant and equipment - Depreciation		**5,812,911**	5,527,585
- Gain on disposals		**(1,577,498)**	(584,751)
- Loss on disposals		**53,456**	14,760
- Written-off		**387,825**	96,436
Share of loss from associates		**15,415,320**	19,715,757
Unrealised gain on foreign exchange		**(306,116)**	(67,322)
Unrealised loss on foreign exchange		**3,455**	35,424
Operating profit before working capital changes		**2,573,232**	483,986
Amounts due from associates		**(888)**	(3,360,026)
Amounts due from customers on contracts		**(5,154,001)**	(13,362,765)
Inventories		**(5,371,290)**	(15,431)
Investment properties		**(422,768)**	–
Property development costs		**(4,165,698)**	(5,228,031)
Receivables		**(12,979,083)**	55,529,049
Payables		**23,927,299**	(13,655,763)
Cash (used in)/generated from operations		**(1,593,197)**	20,391,019
Income tax refund		**399,990**	266,468
Income tax paid		**(2,943,093)**	(423,528)
Net cash flow (used in)/generated from operating activities		**(4,136,300)**	20,233,959
Cash flow from investing activities			
Interest received		**269,211**	484,009
Investment in associates		**–**	(3)
Investment properties - Proceeds on disposals		**6,418,487**	2,720,200
Land held for property development		**(4,596,383)**	(2,077,451)
Other investments - Proceeds on disposal		**–**	2,000
Property, plant and equipment - Additions		**(4,524,136)**	(3,418,061)
- Proceeds on disposals		**1,921,891**	726,801
Net cash flow used in investing activities		**(510,930)**	(1,562,505)

The accompanying notes form an integral part of the financial statements

	NOTE	2014 RM	2013 RM
Cash flow from financing activities			
Dividends paid to shareholders		**–**	(5,695,735)
Hire purchase principal repayments		**(3,911,770)**	(5,103,346)
Interest paid		**(8,373,836)**	(8,376,593)
Drawdown of bank borrowings		**104,175,000**	91,748,000
Repayment of bank borrowings		**(93,947,164)**	(134,386,880)
Net cash flow used in financing activities		**(2,057,770)**	(61,814,554)
Net decrease in cash and cash equivalents		**(6,705,000)**	(43,143,100)
Effect of changes in exchange rates		**174,399**	31,898
Cash and cash equivalents			
- at start of financial year		**(9,828,407)**	33,282,795
- at end of financial year	**19**	**(16,359,008)**	(9,828,407)

The accompanying notes form an integral part of the financial statements

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2014

	NOTE	2014 RM	2013 RM
Cash flow from operating activities			
Profit before tax		**38,796,537**	32,233,629
Adjustments for:			
Assets of disposal group classified as held for sale - Written-off		**6**	–
Bad debt written off		**2,580,895**	5,934,990
Dividend income		**(42,500,000)**	(42,500,000)
Impairment loss on amount due from subsidiary		**–**	188,496
Impairment loss on investment in subsidiary		**–**	486,981
Impairment loss on other investments		**–**	330,067
Interest expenses		**151,808**	170,494
Interest income		**(366,031)**	(346,622)
Other investments - Loss on disposal		**–**	24,055
- Written-off		**10**	–
Property, plant and equipment - Depreciation		**503,514**	594,349
- Gain on disposals		**(2,183)**	(6,651)
- Written-off		**3,160**	47,509
Unrealised gain on foreign exchange		**(4,185)**	(62,239)
Unrealised loss on foreign exchange		**2,400**	16,135
Operating loss before working capital changes		**(834,069)**	(2,888,807)
Amounts due from associates		**(888)**	(3,360,026)
Amounts due to subsidiaries		**(43,912,127)**	(24,002,321)
Receivables		**(316,819)**	1,298,804
Payables		**3,277,125**	1,986,879
Net cash flow used in operating activities		**(41,786,778)**	(26,965,471)
Cash flow from investing activities			
Dividend received from subsidiary companies		**42,500,000**	42,500,000
Interest received		**366,031**	346,622
Investment in associates		**–**	(3)
Investment in subsidiaries		**(50,000)**	(11,331,664)
Other investments - Proceeds on disposal		**–**	2,000
Property, plant and equipment - Additions		**(36,298)**	(46,142)
- Proceeds on disposals		**3,000**	13,604
Net cash flow generated from investing activities		**42,782,733**	31,484,417
Cash flow from financing activities			
Dividends paid to shareholders		**–**	(5,695,735)
Hire purchase principal repayments		**(176,405)**	(335,049)
Interest paid		**(151,808)**	(170,494)
Repayment of bank borrowings		**227**	(275)
Net cash flow used in financing activities		**(327,986)**	(6,201,553)
Net increase/(decrease) in cash and cash equivalents		**667,969**	(1,682,607)
Effect of changes in exchange rates		**1,785**	46,104
Cash and cash equivalents			
- at start of financial year		**2,360,080**	3,996,583
- at end of financial year	19	**3,029,834**	2,360,080

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. GENERAL INFORMATION

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

The principal activities of the subsidiaries within the Group are stated in Note 8 to the financial statements.

2. DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by the Board of Directors on 24 July 2014.

3. REVENUE AND SEGMENTAL INFORMATION

For management purpose, the Group is organised into five reportable business operating segments as follows:

- Construction
- Property development
- Trading and services
- Hospitality and leisure
- Investment holding

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical basis unless otherwise indicated in the accounting policies below and in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company had adopted new and revise FRS's which are mandatory for financial periods beginning on or after 1 April 2013 as described below.

Financial statements of certain subsidiaries are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia but did not have any effect on the financial performance or position of the Group and of the Company.

The financial statements are presented in Ringgit Malaysia ("RM").

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2013, the Group and the Company adopted the following new and amended FRSs and IC Interpretations mandatory for annual financial periods beginning on or after 1 July 2012 and 1 January 2013.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Changes in accounting policies (cont'd)

Effective for financial periods beginning on or after 1 July 2012
- Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

Effective for financial 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
- FRS 127 : Separate Financial Statements
- FRS 128 : Investment in Associates and Joint Ventures
- IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 7: Disclosure - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1: First time Adoption of Malaysian Financial Reporting Standards - Government loans
- Amendments to FRS 1: First time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))
- Consolidated Financial Statement (Amendments to FRS 10)
- Joint Arrangements (Amendments to FRS 11)
- Disclosure of Interests in Other Entities: Transition Guidance (Amendments to FRS 12)
- Amendments to FRS 101, 116, 132 and 134: Presentation of financial statements (Improvements to FRSs (2012))

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and of the Company except for those discussed below:

FRS 10 Consolidated Financial Statements
FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its investment with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

FRS 10 includes detailed guidance to explain when an investor that owns less than 50 per cent of the voting shares in an investee has control over the investee. FRS 10 requires the investor to take into account all relevant facts and circumstances, particularly the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

The application of FRS 10 did not have effect on the financial performance and position of the Group and of the Company.

FRS 12 Disclosures of Interests in Other Entities
FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Changes in accounting policies (cont'd)

Amendments to FRS 101: Presentation of Items of Other Comprehensive Income
The amendments to FRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, revaluation of land and buildings). The amendment affects presentation only and has no impact on the Group's financial position or performance.

FRS 127 Separate Financial Statements
As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

FRS 128 Investment in Associates and Joint Ventures
As a consequence of the new FRS 11 and FRS 12, FRS 128 is renamed as FRS 128 Investments in Associates and Joint Ventures. This new standard describes the application of the equity method to investments in joint ventures in addition to associates.

Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
These amendments require an entity to disclose information about rights to set-off and related arrangements. The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with FRS 132: Financial Instruments: Presentation. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are set off in accordance with FRS 132.

These amendments will not impact the Group's and the Company's financial position or performance.

Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Effective for financial periods beginning on or after 1 January 2014
- Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities
- Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- IC Interpretation 21 Levies
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle

Effective for financial periods beginning on or after 1 January 2015
- Malaysian Financial Reporting Standards (MFRS)

Effective for financial periods beginning on or after 1 January 2016
- Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Changes in accounting policies (cont'd)

Effective for financial periods beginning on or after 1 January 2016 (cont'd)
- FRS 14: Regulatory Deferral Accounts
- Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation

FRSs and amendments effective for a date yet to be confirmed
- FRS 9: Financial Instruments (2009)
- FRS 9: Financial Instruments (2010)
- FRS 9: Financial Instruments (Hedge Accounting and Amendments to FRS 7, FRS 9 and FRS 139)
- Amendments to FRS 7: Financial Instruments - Disclosure (Mandatory Effective Date of FRS 9 and Transition Disclosures
- Amendments to FRS 9: Financial Instruments (Mandatory Effective Date of FRS 9 and Transition Disclosures)

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
The amendments provide clarification and application guidance on legally enforceable right to set-off the financial assets and financial liabilities. These amendments are not expected to have any impact to the Group's and the Company's financial position or performance, which will be effective for annual period beginning on or after 1 January 2014.

Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
These amendments remove the unintended disclosures required under FRS 136, such as disclosure of the recoverable amount for each CGU for which the carrying amount of goodwill or intangible assets with indefinite useful lives allocated to that unit is significant in comparison with the entity's total carrying amount of goodwill or intangible assets with indefinite useful lives. Instead, the amendments require the disclosure of information about the recoverable amount if that amount is based on fair value less costs of disposal.

In addition, these amendments require disclosure of the recoverable amounts for the assets or CGUs for which impairment loss has been recognised or reversed during the period.

These amendments, which are not expected to have any impact to the Group's and the Company's financial position or performance, are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted provided FRS 13 is also applied.

Malaysian Financial Reporting Standards (MFRS Framework)
On 19 November 2011, the Malaysia Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standard (MFRS Framework) in conjunction with the Board's plan to change to International Financial Reporting Standards (IFRS) in 2012.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreement for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. However, on 7 August 2013, MASB extended the transitional period for another year, such as the adoption of the MFRS Framework by all entities for annual periods beginning on or after 1 January 2015.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Changes in accounting policies (cont'd)

Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)
The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 March 2016. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustment required on transition will be made, retrospectively, against opening retained profits.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2014 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its schedule milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for financial year ending 31 March 2016.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued. Acquisition-related costs are expensed as incurred. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All earnings and losses of the subsidiaries are attributed to the parent and the non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated. As a consequence, no adjustments were necessary to any of the amounts previously recognised in the financial statements.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value is

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Basis of consolidation (cont'd)

its fair value on initial recognition as a financial asset in accordance with the FRS 139. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(d) Transaction with non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(e) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(f) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in the associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Jointly controlled entities

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting based on the audited or management financial statements of the jointly controlled entities. Under the equity method of accounting, the Group's share of profits or losses of jointly controlled entities during the financial year is included in the statement of comprehensive income. Equity accounting is discontinued when the carrying amount of the investment in a jointly controlled entity reaches zero, unless the Group has incurred obligation to make payments on behalf of the jointly controlled entity.

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

(h) Intangible assets

Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment and furniture fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on reducing balance basis over the estimated useful lives of the assets as follows:

	%
Buildings	2
Plant and machinery	10-20
Motor vehicles	20
Office equipment	10-25
Furniture and fittings	10
Computers	25
Office renovation	10-25
Data centre	6.7

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Property, plant and equipment and depreciation (cont'd)

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(j) Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment.

(k) Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 4(n).

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

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

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

The excess of revenue recognised in the income statement over billings to purchases is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

(l) Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for works performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

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

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus, recognised profits (less recognised losses) exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balances is classified as amount due to customers on contracts.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Inventories

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

Cost is determined using the weighted average basis. The cost of raw materials comprises costs of purchase. The costs of finished goods and work-in-progress comprise costs of raw materials, direct labour, other direct costs and appropriate proportion of manufacturing overheads based on normal operating capacity. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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.

(n) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset 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 assets. Where the carrying amount of an assets exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Financial instruments

(i) Non-derivatives financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables, available-for-sale investments and held-to-maturity investments.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, trade and other receivables.

(iii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, deposits held at call and short term highly liquid investments that are subject to an insignificant risk of changes in value. Bank overdrafts are included within borrowings in the current liabilities section on the statement of financial position.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are designated as available for sale or are not classified in any of the other categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(v) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(v) Held-to-maturity investments (cont'd)

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, are except for those having maturity within 12 months after the reporting date which classified as current.

(vi) Non-derivatives financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when the contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(vii) Share capital

Equity instruments are measured at the proceeds received net of direct issue costs.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

Where treasure shares are cancelled, the equivalent will be credited to capital redemption reserves.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Financial instruments (cont'd)

(viii) 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.

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.

(ix) Impairment

The Group and the Company asses at each reporting date whether there is any objective evidence that a financial asset is impaired.

- **Trade and other receivables and other financial assets carried at amortised cost**
  To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on a similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

  If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

  The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

  If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Financial instruments (cont'd)

(ix) Impairment (cont'd)

- **Unquoted equity securities carried at cost**
  If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

- **Available-for-sale financial assets**
  Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

  If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

  Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

- **Non-derivative financial assets**
  A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

  Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economics conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

(x) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Financial instruments (cont'd)

(x) Non-financial assets(cont'd)

If any such indication exists, then the asset's recoverable amount is estimated. 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 or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to 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.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its 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 units and then to reduce the carrying amount of the other assets in the unit (groups of 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.

(xi) Financial guarantee contracts

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

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

(p) Leases

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Leases (cont'd)

(i) Accounting by lessee

- **Finance leases**
  Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

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

  Property, plant and equipment acquired under finance leases is depreciated over the shorter of the estimated useful life of the asset and the lease term, in accordance with the property, plant and equipment policy.

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

(ii) Accounting by lessor

- **Operating leases**
  When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

(q) Borrowing costs

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

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

(r) 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 to a business combination or items recognised directly in other comprehensive income.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(r) Income tax (cont'd)

Current tax is the expected tax payable on the taxable income 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 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 following temporary differences: the initial recognition of goodwill, and 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 apply 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.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the 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.

(s) Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(t) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(t) Employee benefits (cont'd)

(iii) Termination benefit

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after end of the reporting period are discounted to present value.

(u) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(u) Foreign currencies (cont'd)

(iii) Foreign operations (cont'd)

The principal exchange rates used for every unit of foreign currency ruling at the balance sheet date are as follows:

	31.3.2014 RM	31.3.2013 RM
United States Dollars	**3.256**	3.092
Vietnam Dong	**0.000158**	0.000148

(v) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method.

(ii) Property development

Revenue from property development is accounted for by the stage of completion method.

(iii) Sale of goods

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

(iv) Revenue from services rendered

Sale of services are recognised upon render of services to customers.

(v) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on straight-line basis.

(vi) Interest income

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

(vii) Dividend income

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

(viii) Management fees

Management fees are recognised when services are rendered.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(w) Non-current assets (or disposal Groups) held for sale and discontinued operation

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

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

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

(x) Commitments and contingencies

Commitments and contingent liabilities are disclosed in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

(a) Critical judgements made in applying accounting policies

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

(i) Classification between investment properties and property, plant and equipment

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

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or lease out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(ii) Operating lease commitments – The Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (cont'd)

(b) Key sources of estimation uncertainty

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

(i) Estimated useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated on a reducing balance basis over the term of their useful service lives taking into account residual values where appropriate. The estimated useful lives of these assets should be reflective of factors such as service life experience on the facilities and their maintenance programmes. The useful lives and residual values of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

(ii) Amount due from customers for construction contracts

The Group recognised revenue based on percentage of completion method. The stage of completion is measured by reference to the contract construction costs incurred to date to the estimated total of costs. Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total revenue and contract costs, as well as the recoverability of the construction contracts activities. Total revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Company relied on past experience and work of specialists.

(iii) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iv) Impairment of assets

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

Where there is objective of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(v) Provision for claims payable for late completion and late delivery

The provision for claims payable is in respect of project completion was delayed resulting in late delivery to its customers. Significant judgement is therefore used in determining the amounts of damages for the delayed completion and provision for claims payable for late delivery to the affected parties.

The Directors have carefully assessed the terms of the contracts, advice from the qualified external party, the amount of damages and the estimated claims payable for late delivery. Based on the Directors' assessment, the Group estimated with reasonable certainty the amounts of claims that are expected to be payable for the project and these amounts have been recognised accordingly as at 31 March 2014. In view of the ongoing negotiations on the claims, any further disclosure may be prejudicial to the Group's negotiating position.

6. PROPERTY, PLANT AND EQUIPMENT

GROUP	FREEHOLD LAND RM	BUILDINGS RM	PLANT AND MACHINERY RM	MOTOR VEHICLES RM	OFFICE EQUIPMENT RM	FURNITIURE AND FITTINGS RM	COMPUTERS RM	OFFICE RENOVATION RM	DATA CENTRE RM	TOTAL RM
As at 31.3.2014										
Cost										
As at 1.4.2013	16,051,377	11,184,009	45,123,863	12,005,990	4,061,220	2,537,372	1,158,630	585,497	8,253,558	100,961,516
Additions	–	–	8,180,041	200,833	387,202	657,685	79,602	11,173	55,000	9,571,536
Transfer to investment properties (Note 7)	–	(815,540)	–	–	–	–	–	–	–	(815,540)
Disposals	–	–	(3,603,526)	(935,026)	(41,395)	–	–	–	–	(4,579,947)
Written-off	–	–	(681,392)	(13,545)	(696,490)	(72,982)	(5,056)	(258,557)	–	(1,728,022)
Exchange adjustments	–	–	–	12,580	739	–	234	–	–	13,553
As at 31.3.2014	16,051,377	10,368,469	49,018,986	11,270,832	3,711,276	3,122,075	1,233,410	338,113	8,308,558	103,423,096
Accumulated depreciation and impairment										
As at 1.4.2013	–	934,587	30,774,270	7,684,590	2,611,705	785,517	641,323	157,612	271,966	43,861,570
Depreciation charge for the year	–	189,392	3,484,469	896,311	218,867	239,042	201,802	49,293	533,735	5,812,911
Transfer to investment properties (Note 7)	–	(72,088)	–	–	–	–	–	–	–	(72,088)
Disposals	–	–	(3,306,892)	(852,849)	(22,357)	–	–	–	–	(4,182,098)
Written-off	–	–	(577,920)	(13,156)	(546,699)	(49,882)	(5,056)	(147,484)	–	(1,340,197)
Exchange adjustments	–	–	–	3,710	221	–	94	–	–	4,025
As at 31.3.2014	–	1,051,891	30,373,927	7,718,606	2,261,737	974,677	838,163	59,421	805,701	44,084,123
Net carrying amount										
As at 31.3.2014	16,051,377	9,316,578	18,645,059	3,552,226	1,449,539	2,147,398	395,247	278,692	7,502,857	59,338,973

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

COMPANY	FREEHOLD LAND RM	BUILDINGS RM	MOTOR VEHICLES RM	OFFICE EQUIPMENT RM	FURNITURE AND FITTINGS RM	TOTAL RM
As at 31.3.2014						
Cost						
As at 1.4.2013	453,493	498,800	6,570,960	1,724,067	1,902,778	11,150,098
Additions	–	–	–	36,298	–	36,298
Disposals	–	–	(44,634)	–	–	(44,634)
Written-off	–	–	–	–	(19,277)	(19,277)
As at 31.3.2014	453,493	498,800	6,526,326	1,760,365	1,883,501	11,122,485
Accumulated depreciation and impairment						
As at 1.4.2013	–	13,725	5,161,468	1,107,802	415,307	6,698,302
Depreciation charge for the year	–	545	281,735	72,803	148,431	503,514
Disposals	–	–	(43,817)	–	–	(43,817)
Written-off	–	–	–	–	(16,117)	(16,117)
As at 31.3.2014	–	14,270	5,399,386	1,180,605	547,621	7,141,882
Net carrying amount						
As at 31.3.2014	453,493	484,530	1,126,940	579,760	1,335,880	3,980,603

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

GROUP	FREEHOLD LAND RM	BUILDINGS RM	PLANT AND MACHINERY RM	MOTOR VEHICLES RM	OFFICE EQUIPMENT RM	FURNITURE AND FITTINGS RM	COMPUTERS RM	OFFICE RENOVATION RM	DATA CENTRE RM	ASSETS UNDER CONSTRUC-TION RM	TOTAL RM
As at 31.3.2013											
Cost											
As at 1.4.2012	16,051,377	11,648,034	45,841,414	10,822,664	4,108,384	2,704,914	720,723	372,152	–	4,566,872	96,836,534
Additions	–	–	706,040	2,306,307	287,829	62,558	319,510	213,345	–	3,686,686	7,582,275
Transfer	–	–	–	–	(118,360)	–	118,360	–	8,253,558	(8,253,558)	–
Transfer to investment properties (Note 7)	–	(464,025)	–	–	–	–	–	–	–	–	(464,025)
Disposals	–	–	(1,423,450)	(1,125,981)	(19,220)	(11,598)	–	–	–	–	(2,580,249)
Written-off	–	–	(141)	–	(197,550)	(218,502)	–	–	–	–	(416,193)
Exchange adjustments	–	–	–	3,000	137	–	37	–	–	–	3,174
As at 31.3.2013	16,051,377	11,184,009	45,123,863	12,005,990	4,061,220	2,537,372	1,158,630	585,497	8,253,558	–	100,961,516
Accumulated depreciation and impairment											
As at 1.4.2012	–	762,224	28,615,672	7,828,522	2,556,482	747,984	485,006	108,178	–	–	41,104,068
Depreciation charge for the year	–	199,651	3,529,413	884,691	269,441	201,717	121,272	49,434	271,966	–	5,527,585
Transfer	–	–	–	–	(35,040)	–	35,040	–	–	–	–
Transfer to investment properties (Note 7)	–	(27,288)	–	–	–	–	–	–	–	–	(27,288)
Disposals	–	–	(1,370,679)	(1,029,008)	(16,530)	(7,222)	–	–	–	–	(2,423,439)
Written-off	–	–	(136)	–	(162,659)	(156,962)	–	–	–	–	(319,757)
Exchange adjustments	–	–	–	385	11	–	5	–	–	–	401
As at 31.3.2013	–	934,587	30,774,270	7,684,590	2,611,705	785,517	641,323	157,612	271,966	–	43,861,570
Net carrying amount											
As at 31.3.2013	16,051,377	10,249,422	14,349,593	4,321,400	1,449,515	1,751,855	517,307	427,885	7,981,592	–	57,099,946

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

COMPANY	FREEHOLD LAND RM	BUILDINGS RM	MOTOR VEHICLES RM	OFFICE EQUIPMENT RM	FURNITURE AND FITTINGS RM	TOTAL RM
As at 31.3.2013						
Cost						
As at 1.4.2012	453,493	498,800	6,948,989	1,907,444	1,941,844	11,750,570
Additions	–	–	4,441	14,173	30,528	49,142
Disposals	–	–	(382,470)	–	–	(382,470)
Written-off	–	–	–	(197,550)	(69,594)	(267,144)
As at 31.3.2013	453,493	498,800	6,570,960	1,724,067	1,902,778	11,150,098
Accumulated depreciation and impairment						
As at 1.4.2012	–	13,169	5,185,259	1,191,946	308,731	6,699,105
Depreciation charge for the year	–	556	351,726	78,515	163,552	594,349
Disposals	–	–	(375,517)	–	–	(375,517)
Written-off	–	–	–	(162,659)	(56,976)	(219,635)
As at 31.3.2013	–	13,725	5,161,468	1,107,802	415,307	6,698,302
Net carrying amount						
As at 31.3.2013	453,493	485,075	1,409,492	616,265	1,487,471	4,451,796

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

(a) Purchase of property, plant and equipment

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Aggregate costs of property, plant and equipment acquired	**9,571,536**	7,582,275	**36,298**	49,142
Amount financed through hire purchase and finance lease	**(5,047,400)**	(4,164,214)	**–**	(3,000)
Cash disbursed for purchase of property, plant and equipment	**4,524,136**	3,418,061	**36,298**	46,142

(b) Details of assets under hire purchase and finance lease

Net carrying amounts of property, plant and equipment held under hire purchase and finance lease are as follows:

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Net carrying amounts				
Plant and machinery	**4,854,703**	3,545,751	**–**	–
Motor vehicles	**2,243,656**	2,978,463	**268,754**	561,932
Computers	**119,808**	178,819	**–**	–
Data centre	**5,344,735**	5,725,803	**–**	–
	12,562,902	12,428,836	**268,754**	561,932

(c) The net carrying amounts of property, plant and equipment pledged as securities for borrowings (Note 23) are as follows:

	GROUP	
	31.3.2014 RM	31.3.2013 RM
Freehold land	**15,606,455**	15,606,455
Buildings	**8,823,475**	9,755,774
	24,429,930	25,362,229

(d) No borrowing costs were capitalised during the financial year.

7. INVESTMENT PROPERTIES

	GROUP	
	31.3.2014	**31.3.2013**
	RM	**RM**
At fair value		
As at 1 April	**23,799,120**	25,161,611
Additions	**422,768**	–
Transfer from property, plant and equipment (Note 6)	**743,452**	436,737
Disposal	**(5,062,514)**	(1,799,228)
As at 31 March	**19,902,826**	23,799,120

Investment properties comprise a number of commercial properties leased to third parties as disclosed in Note 34 to the financial statements.

Investment properties are pledged as securities for borrowings as disclosed in Note 23 to the financial statements amounting to RM17,912,906 (31.3.2013 - RM18,720,880).

Direct operating expenses (including repair and maintenance) arising from income generating investment properties amounting to RM560,936 (31.3.2013 - RM619,982).

8. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	31.3.2014	**31.3.2013**
	RM	**RM**
Unquoted shares at cost		
As at 31 March	**64,649,668**	64,599,668

As at the balance sheet date, the carrying value of investments in certain subsidiaries exceeded their combined net assets by approximately RM1,350,002 (31.3.2013 - RM1,850,002). The cost of investment carried by the Company is assessed for impairment, if any, based on the present value of the future cash flows expected to be derived from the cash generating units of the investments. The Directors believe that there is no permanent impairment in value of these investments.

8. INVESTMENT IN SUBSIDIARIES (cont'd)

The particulars of the subsidiaries within the Group are as follows:

	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	HOLDING IN EQUITY 31.3.2014 %	31.3.2013 %
Subsidiaries -				
Ireka Sdn Bhd	Malaysia	Investment holding	**100**	100
Ireka iCapital Sdn Bhd (i)	Malaysia	Investment holding	**100**	100
Ireka Development Management Sdn Bhd	Malaysia	Property development management, provision of other related professional services and consultancy	**100**	100
Ireka Property Services Sdn Bhd	Malaysia	Property services	**100**	100
Ireka Commercial Sdn Bhd	Malaysia	Property investment	**100**	100
i-Residence Sdn Bhd	Malaysia	Renting out of premises	**100**	100
Ireka Engineering And Construction Vietnam Company Limited (i)	Vietnam	Civil and industrial construction work	**100**	100
Meadowfield Sdn Bhd	Malaysia	Property development	**100**	100
i-Tech Network Solutions (Vietnam) Company Limited (i)	Vietnam	Import and distribution of computer hardware, computer programming, consultancy and computer system management	**100**	100
Subsidiary companies of Ireka Sdn Bhd -				
Ireka Engineering & Construction Sdn Bhd	Malaysia	Earthworks, civil, structural and building construction and renting of construction plant and machinery	**100**	100
Regalmont (Sabah) Sdn Bhd	Malaysia	Property development	**100**	100
Regal Variety Sdn Bhd	Malaysia	Investment holding	**100**	100

8. INVESTMENT IN SUBSIDIARIES (cont'd)

	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	HOLDING IN EQUITY 31.3.2014 %	31.3.2013 %
Subsidiary companies of Ireka Sdn Bhd - (cont'd)				
Iswaja Enterprise Sdn Bhd (iii)	Malaysia	Dormant	**100**	100
Ireka Hospitality Sdn Bhd	Malaysia	Property management, provision of other related professional services and consultancy	**100**	100
Unique Legacy Sdn Bhd (ii) (iii)	Malaysia	Dormant	**90**	90
Subsidiary company of Ireka Engineering & Construction Sdn Bhd -				
United Time Development Sdn Bhd	Malaysia	Property development	**100**	100
Subsidiary companies of Ireka iCapital Sdn Bhd -				
e-Auction Sdn Bhd (i)	Malaysia	Trading and rental of industrial and construction equipment	**96**	96
Ireka Venture Capital Ltd (i)	British Virgin Islands	Investment holding and provision of venture capital fund to internet, e-commerce and related technology based companies	**100**	100
asiaegolf Tours Sdn Bhd (i)	Malaysia	Providing golf related services for international or overseas golf tour parties, business golfing and to individual golfer on the internet	**100**	100
i-Tech Network Solutions Sdn Bhd (i)	Malaysia	System integration, software solutions and trading in computer hardware	**100**	100
iTech ELV Solutions Sdn Bhd (i)	Malaysia	Provide, supply and install high voltage power system and low voltage power system, and structured cabling system and extra low voltage system	**100**	100

(i) The financial statements of these companies are not audited by Raja Salleh, Lim & Co..

(ii) 10% of the shareholding held directly by Ireka Corporation Berhad.

(iii) The subsidiary is currently under members' voluntary liquidation.

9. INVESTMENT IN ASSOCIATES

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM	COMPANY 31.3.2014 RM	COMPANY 31.3.2013 RM
Quoted shares outside Malaysia, at cost	**168,751,999**	168,751,999	**168,751,999**	168,751,999
Unquoted shares in Malaysia	**300,003**	300,003	**300,003**	300,003
	169,052,002	169,052,002	**169,052,002**	169,052,002
Share of post-acquisition reserve	**(37,065,030)**	(20,233,015)	**–**	–
	131,986,972	148,818,987	**169,052,002**	169,052,002
Market value of quoted shares	**65,148,727**	62,477,333	**65,148,727**	62,477,333

Details of the associates are as follows:

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	HOLDING IN EQUITY 31.3.2014 %	HOLDING IN EQUITY 31.3.2013 %
Aseana Properties Ltd (i) (ii) (iii)	Jersey, Channel Islands	Acquisition, development and redevelopment of upscale residential, commercial, hospitality and healthcare projects	**23.07**	23.07
Urban DNA Sdn Bhd (i) (ii) (iii)	Malaysia	Property development	**30.00**	30.00
The RuMa Hotel KL Sdn Bhd (i) (ii) (iii)	Malaysia	Investment holding	**30.00**	30.00

(i) The financial year end is 31 December 2013.

(ii) The financial statements of these companies are not audited by Raja Salleh, Lim & Co..

(iii) There are no contingencies and commitments relating to the Group's interest in the associates.

9. INVESTMENT IN ASSOCIATES (cont'd)

The summarised financial information of the associates are as follows:

	31.3.2014 RM	31.3.2013 RM
Assets and liabilities		
Current assets	**1,669,832,359**	1,527,439,974
Non-current assets	**104,793,804**	85,228,849
Total assets	**1,774,626,163**	1,612,668,823
Current liabilities	**545,670,908**	502,189,223
Non-current liabilities	**682,936,156**	525,682,237
Total liabilities	**1,228,607,064**	1,027,871,460
Results		
Revenue	**131,814,608**	58,852,255
Loss for the financial year/Total comprehensive loss for the financial year	**(64,870,743)**	(84,817,131)

10. OTHER INVESTMENTS

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
At cost:				
Available for sale financial assets				
Quoted shares				
- Outside Malaysia	**6,952,035**	6,952,035	**–**	–
Investments in club membership	**445,567**	445,567	**445,567**	445,567
Unquoted shares	**1,050,948**	1,050,948	**–**	10
	8,448,550	8,448,550	**445,567**	445,577
Held to maturity investments				
Subordinated Bonds				
2002/2007 (i)	**2,360,000**	2,360,000	**2,360,000**	2,360,000
Carrying amount	**10,808,550**	10,808,550	**2,805,567**	2,805,577

10. OTHER INVESTMENTS (cont'd)

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM	COMPANY 31.3.2014 RM	COMPANY 31.3.2013 RM
Less: Accumulated impairment loss				
Quoted shares	**(4,849,742)**	(5,714,567)	**–**	–
Investments in club membership	**(330,067)**	(330,067)	**(330,067)**	(330,067)
Unquoted shares	**(1,050,948)**	(1,050,948)	**–**	–
Subordinated Bonds 2002/2007 (i)	**(2,200,000)**	(2,200,000)	**(2,200,000)**	(2,200,000)
	(8,430,757)	(9,295,582)	**(2,530,067)**	(2,530,067)
	2,377,793	1,512,968	**275,500**	275,510
At market value:				
Quoted shares				
- Outside Malaysia	**2,102,293**	1,237,468	**–**	–

(i) The RM2,200,000 impairment loss recognised in the financial year ended 31 March 2008 represented the write-down of the Subordinated Bonds to their recoverable amounts. The Subordinated Bonds were subscribed pursuant to a syndicated loan transaction which was fully settled in previous year. The bonds were issued by special purpose vehicle and the term loans were disbursed by the lenders to the Company and other borrowers. As advised by the trustee of the bonds, certain borrowers have defaulted in the repayments of their term loan obligations, resulting in the aforesaid impairment. On 8 July 2014, a final distribution of RM301,683 was received by the Company.

11. LAND HELD FOR PROPERTY DEVELOPMENT

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
Freehold land, at cost	**35,324,812**	35,324,812
Development costs		
As at 1 April	**3,799,570**	1,722,119
Additions	**4,596,383**	2,077,451
As at 31 March	**8,395,953**	3,799,570
Carrying amount as at 31 March	**43,720,765**	39,124,382

Freehold land are pledged as securities for borrowings as disclosed in Note 23 to the financial statements amounting to RM22,426,558 (31.3.2013 - RM22,426,558).

The borrowing costs capitalised on the land held for property development during the financial year is RM1,013,942 (31.3.2013 - RM1,160,201).

12. DEFERRED TAX

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
As at 1 April	**3,062,500**	3,243,500	**610,000**	610,000
Recognised in income statement	**178,600**	(181,000)	**–**	–
As at 31 March	**3,241,100**	3,062,500	**610,000**	610,000
Presented after appropriate offsetting as follows:				
Deferred tax assets	**–**	(180,000)	**–**	–
Deferred tax liabilities	**3,241,100**	3,242,500	**610,000**	610,000
	3,241,100	3,062,500	**610,000**	610,000

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities:

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Property, plant and equipment				
As at 1 April	**3,242,500**	3,243,500	**610,000**	610,000
Recognised in income statement	**(1,400)**	(1,000)	**–**	–
As at 31 March	**3,241,100**	3,242,500	**610,000**	610,000
Deferred tax assets:				
Unused tax losses				
As at 1 April	**(180,000)**	–	**–**	–
Recognised in income statement	**180,000**	(180,000)	**–**	–
As at 31 March	**–**	(180,000)	**–**	–

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

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM	COMPANY 31.3.2014 RM	COMPANY 31.3.2013 RM
Unused tax losses	**65,744,426**	58,243,161	**26,131,075**	23,820,198
Unabsorbed capital allowances	**16,542,993**	9,166,127	**1,235,904**	1,006,636
Accelerated capital allowances	**(1,592,000)**	104,000	**–**	–
	80,695,419	67,513,288	**27,366,979**	24,826,834

12. DEFERRED TAX (cont'd)

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries under Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised where it is not probable that future taxable profits will be available against which the subsidiaries can utilise the benefits.

13. PROPERTY DEVELOPMENT COST

GROUP	FREEHOLD LAND RM	DEVELOPMENT COSTS RM	BORROWING COSTS CAPITALISED RM	TOTAL RM
Cumulative property development costs				
As at 31.3.2014				
As at 1.4.2013	**25,000,000**	**4,461,921**	**1,318,087**	**30,780,008**
Costs incurred during the year	**–**	**24,153,757**	**1,685,494**	**25,839,251**
As at 31.3.2014	**25,000,000**	**28,615,678**	**3,003,581**	**56,619,259**
Cumulative costs recognised in income statement				**(21,673,553)**
Property development costs as at 31.3.2014				**34,945,706**
As at 31.3.2013				
As at 1.4.2012	24,500,000	784,418	267,559	25,551,977
Costs incurred during the year	500,000	3,677,503	1,050,528	5,228,031
As at 31.3.2013	25,000,000	4,461,921	1,318,087	30,780,008
Cumulative costs recognised in income statement				–
Property development costs as at 31.3.2013				30,780,008

Freehold land are pledged as securities for borrowings as disclosed in Note 23 to the financial statements amounting to RM24,500,000 (31.3.2013 - RM24,500,000).

14. INVENTORIES

	GROUP	
	31.3.2014 RM	31.3.2013 RM
At cost		
Construction materials	**16,362,373**	10,144,560
Finished goods	**66,737**	913,260
	16,429,110	11,057,820

15. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Trade receivables	**124,951,265**	116,365,054	**–**	2,580,895
Other receivables				
Accrued billing	**5,496,653**	–	**–**	–
Deposits	**1,518,746**	1,824,118	**830,745**	819,503
Prepayments	**2,192,025**	1,737,979	**1,157,610**	885,145
Other receivables	**6,959,727**	10,756,092	**206,053**	172,941
	16,167,151	14,318,189	**2,194,408**	1,877,589
	141,118,416	130,683,243	**2,194,408**	4,458,484
Total trade and other receivables	**141,118,416**	130,683,243	**2,194,408**	4,458,484
Add: Deposits, cash and bank balances	**36,375,295**	16,662,522	**3,815,719**	3,148,587
Total loans and receivables	**177,493,711**	147,345,765	**6,010,127**	7,607,071

The Group's normal trade credit terms range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The ageing analysis of trade receivables past due not impaired are set out below. These relate to a number of independent customers for whom there is no recent history of default.

15. TRADE AND OTHER RECEIVABLES (cont'd)

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM	COMPANY 31.3.2014 RM	COMPANY 31.3.2013 RM
Within credit terms	**96,724,524**	89,674,269	**–**	–
Past due but not impaired				
90 to 120 days	**2,815,083**	7,391,831	**–**	–
More than 120 days	**25,411,658**	19,298,954	**–**	2,580,895
	124,951,265	116,365,054	**–**	2,580,895

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables.

16. AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
Construction contract costs incurred to date	**1,017,647,442**	1,044,150,840
Attributable profits	**110,115,548**	107,414,934
	1,127,762,990	1,151,565,774
Less: Progress billings	**(1,085,239,622)**	(1,114,196,407)
	42,523,368	37,369,367
Amount due from customers on contracts	**42,679,203**	37,369,367
Amount due to customers on contracts	**(155,835)**	–
	42,523,368	37,369,367
Retention sums on contracts included within trade receivables	**46,994,374**	43,174,909

16. AMOUNTS DUE FROM/(TO) CUSTOMERS ON CONTRACTS (cont'd)

The costs incurred to date on construction contracts include the following charges made during the financial year:

	GROUP	
	31.3.2014	**31.3.2013**
	RM	**RM**
Hire of plant and machinery	**7,173,403**	1,290,169
Property, plant and equipment - Depreciation	**3,484,385**	3,527,515
Rental expense for buildings	**486,490**	653,667

17. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The amounts due from/(to) subsidiaries are unsecured, repayable on demand and non-interest bearing except for a total amount of RM10,247,727 (31.3.2013 - RM8,863,556) from a subsidiary which bear interest of 5.5% (31.3.2013 - 5.5%) per annum.

18. AMOUNTS DUE FROM ASSOCIATES

The amounts due from associates are unsecured, repayable on demand and non-interest bearing.

19. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	31.3.2014	**31.3.2013**	**31.3.2014**	**31.3.2013**
	RM	**RM**	**RM**	**RM**
Cash on hand and at banks (i) (ii)	**23,342,538**	9,756,046	**3,815,719**	3,148,587
Deposits with licensed banks (iii)	**13,032,757**	6,906,476	**–**	–
Cash and bank balances	**36,375,295**	16,662,522	**3,815,719**	3,148,587
Bank overdrafts	**(52,734,303)**	(26,490,929)	**(785,885)**	(788,507)
Total cash and cash equivalents	**(16,359,008)**	(9,828,407)	**3,029,834**	2,360,080

(i) Included in cash at banks of the Group are amounts of RM1,351,924 (31.3.2013 - RM443,936) held pursuant to Section 8A of the Housing (Control and Licensing of Developers) Enactment, 1978 and restricted from use in the other operations.

(ii) Cash at bank earns interest at floating rates based on daily bank deposit rates.

(iii) Deposits of the Group amounting to RM12,932,757 (31.3.2013 – RM6,906,476) are held on lien by bank pursuant to banking facilities agreements and restricted from use in the other operations.

19. CASH AND CASH EQUIVALENTS (cont'd)

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

	GROUP	
	31.3.2014 %	31.3.2013 %
Deposits with financial institutions	**2.90**	2.88
Weighted average maturity (days)	**90**	90

20. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

The major classes of assets and liabilities of non-current assets classified as held for sale on the balance sheets are as follows:

	GROUP AND COMPANY	
	31.3.2014 RM	31.3.2013 RM
Assets		
Investment in associate	**–**	6

NAME OF ASSOCIATE	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	PROPORTION OF OWNERSHIP INTEREST		PROPORTION OF VOTING POWER	
			31.3.2014 %	31.3.2013 %	31.3.2014 %	31.3.2013 %
Sandakan Harbour Square Sdn Bhd (i)	Malaysia	Investment holding	**29.4**	29.4	**29.4**	29.4

(i) The associate has resolved to undertake members' voluntary liquidation on 21 November 2013.

21. SHARE CAPITAL AND SHARE PREMIUM

	NUMBER OF ORDINARY SHARES OF RM1 EACH SHARE CAPITAL (ISSUED AND FULLY PAID) RM	SHARE PREMIUM RM	TOTAL SHARE CAPITAL AND SHARE PREMIUM RM
As at 1.4.2012	113,914,700	21,870,960	135,785,660
Transaction costs	–	–	–
As at 31.3.2013 and 1.4.2013	**113,914,700**	**21,870,960**	**135,785,660**
Transaction costs	**–**	**–**	**–**
As at 31.3.2014	**113,914,700**	**21,870,960**	**135,785,660**

	NUMBER OF ORDINARY SHARES OF RM1 EACH		AMOUNT	
	31.3.2014 UNIT	31.3.2013 UNIT	31.3.2014 RM	31.3.2013 RM
Authorised share capital				
As at 31 March	**500,000,000**	500,000,000	**500,000,000**	500,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

The Company did not purchase or re-sell any of its own shares during the financial year ended 31.3.2014.

22. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operation whose functional currencies are different from that of the Group's presentation currency.

23. BORROWINGS

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Short-term borrowings				
Secured:				
Term loans	**7,667,299**	14,797,338	**–**	–
Hire purchase and finance lease liabilities	**3,284,275**	4,251,388	**130,677**	187,220
	10,951,574	19,048,726	**130,677**	187,220
Unsecured:				
Bank overdrafts	**52,734,303**	26,490,929	**785,885**	788,507
Revolving credits	**53,210,782**	33,620,374	**1,014,846**	1,014,619
Trade finance	**24,526,000**	24,888,000	**–**	–
	130,471,085	84,999,303	**1,800,731**	1,803,126
	141,422,659	104,048,029	**1,931,408**	1,990,346
Long-term borrowings				
Secured:				
Term loans	**42,478,758**	44,349,291	**–**	–
Hire purchase and finance lease liabilities	**5,224,854**	3,122,111	**17,300**	137,162
	47,703,612	47,471,402	**17,300**	137,162
Total borrowings				
Revolving credits	**53,210,782**	33,620,374	**1,014,846**	1,014,619
Trade finance	**24,526,000**	24,888,000	**–**	–
Term loans	**50,146,057**	59,146,629	**–**	–
Bank overdrafts	**52,734,303**	26,490,929	**785,885**	788,507
Hire purchase and finance lease liabilities	**8,509,129**	7,373,499	**147,977**	324,382
	189,126,271	151,519,431	**1,948,708**	2,127,508

The term loans are secured by the following:

(a) First legal charge over the respective freehold land and buildings of certain subsidiaries as disclosed in Note 6(c), Note 7, Note 11 and Note 13.

(b) Corporate guarantees granted by the Company.

The secured bridging loans and revolving credits are secured by assignment of contract proceeds and corporate guarantees of the Company.

Other information on financial risks of borrowings are disclosed in Note 38.

23. BORROWINGS (cont'd)

Hire purchase and finance lease liabilities

	GROUP		COMPANY	
	31.3.2014 RM	**31.3.2013 RM**	**31.3.2014 RM**	**31.3.2013 RM**
Future minimum lease payments				
Not later than 1 year	**3,717,415**	4,635,017	**136,152**	200,558
Later than 1 year and not later than 2 years	**2,411,812**	2,322,262	**33,708**	136,152
Later than 2 years and not later than 5 years	**3,473,162**	1,310,009	**–**	33,708
Total future minimum lease payments	**9,602,389**	8,267,288	**169,860**	370,418
Less : Future finance charges	**(1,093,260)**	(893,789)	**(21,883)**	(46,036)
Present value of finance lease liabilities	**8,509,129**	7,373,499	**147,977**	324,382
Analysis of present value of finance lease liabilities				
Not later than 1 year	**3,284,275**	4,251,388	**130,677**	187,220
Later than 1 year and not later than 2 years	**2,120,835**	2,147,550	**17,300**	130,677
Later than 2 years and not later than 5 years	**3,104,019**	974,561	**–**	6,485
	8,509,129	7,373,499	**147,977**	324,382
Less : Amount due within 12 months	**(3,284,275)**	(4,251,388)	**(130,677)**	(187,220)
Amount due after 12 months	**5,224,854**	3,122,111	**17,300**	137,162

The Group has finance lease and hire purchase contracts for various items of property, plant and equipment as disclosed in Note 6. These leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the specific entity that holds the lease. There are no restrictions placed upon the Group by entering into these leases and no arrangements have been entered into for contingent rental payments.

Other information on financial risks of hire purchase and finance lease liabilities are disclosed in Note 38.

24. PROVISION

	GROUP	
	31.3.2014 RM	**31.3.2013 RM**
Liquidated ascertained damages		
As at 1 April/31 March	**14,000,000**	14,000,000

Provision for liquidated ascertained damages is in respect of construction projects undertaken by the Group. The provision is recognised for expected liquidated ascertained damages claims based on the terms of the applicable construction agreements.

25. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Current				
Trade payables (i)	**158,823,190**	135,912,777	**–**	–
Other payables				
Accruals	**1,363,776**	3,868,295	**–**	–
Other payables (ii)	**23,593,229**	22,005,020	**8,918,028**	5,640,903
Trade deposits	**99,887**	22,961	**–**	–
	25,056,892	25,896,276	**8,918,028**	5,640,903
	183,880,082	161,809,053	**8,918,028**	5,640,903
Total trade and other payables	**183,880,082**	161,809,053	**8,918,028**	5,640,903
Add : Borrowings	**189,126,271**	151,519,431	**1,948,708**	2,127,508
Total financial liabilities at amortised cost	**373,006,353**	313,328,484	**10,866,736**	7,768,411

(i) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days.

(ii) Included an amount of RM9,720,540 (31.3.2013 - RM9,720,540) which represented the balance purchase price payable for the acquisition of land held for property development referred in Note 11 to the financial statements.

26. REVENUE

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Construction contracts	**231,972,773**	305,136,851	**–**	–
Dividend income	**–**	–	**42,500,000**	42,500,000
Hospitality and leisure	**–**	–	**–**	–
Management fees	**–**	–	**12,848,421**	12,683,648
Property development	**31,499,469**	–	**–**	–
Rental income	**676,108**	452,445	**–**	–
Trading and services	**25,527,737**	24,343,109	**–**	–
	289,676,087	329,932,405	**55,348,421**	55,183,648

27. COST OF SALES

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Construction contracts costs	**216,193,712**	284,935,422	**–**	–
Property development costs	**21,673,553**	–	**–**	–
Cost of inventories sold	**6,861,088**	9,622,113	**–**	–
Cost of services rendered	**13,702,457**	7,520,601	**–**	–
	258,430,810	302,078,136	**–**	–

28. OTHER INCOME

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Interest income	**269,211**	484,009	**366,031**	346,622
Gain on disposal of property, plant and equipment	**1,577,498**	584,751	**2,183**	6,651
Gain on disposal of investment properties	**1,355,973**	920,972	**–**	–
Gain on foreign exchange				
- Realised	**–**	65,595	**–**	–
- Unrealised	**306,116**	67,322	**4,185**	62,239
Rental income	**151,335**	233,390	**1,371,741**	1,418,190
Rental of motor vehicle recoverable	**61,800**	67,321	**61,800**	67,321
Reversal of impairment loss on other investments	**864,825**	–	**–**	–
Other	**1,517,157**	1,860,419	**814,617**	1,225,480
	6,103,915	4,283,779	**2,620,557**	3,126,503

Included in interest income from loan and receivables of the Company is interest of RM365,931 (31.3.2013 - RM346,178) from a fellow subsidiary.

29. FINANCE COSTS

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Interest expense on:				
Bank borrowings	**10,492,463**	9,673,184	**127,585**	128,789
Hire purchase and finance lease liabilities	**580,809**	914,138	**24,223**	41,705
	11,073,272	10,587,322	**151,808**	170,494
Less: Interest expense capitalised in:				
Land held for property development - Note 11	**(1,013,942)**	(1,160,201)	**–**	–
Property development cost - Note 13	**(1,685,494)**	(1,050,528)	**–**	–
Total interest expense	**8,373,836**	8,376,593	**151,808**	170,494

30. (LOSS)/PROFIT BEFORE TAX

The following amounts have been included in arriving at (loss)/profit before tax:

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
After charging:				
Assets of disposal group classified as held for sales - Written-off	**6**	–	**6**	–
Auditors' remuneration				
- Current year	**306,402**	311,467	**95,400**	95,400
- Over provision in prior years	**(4,000)**	(3,500)	**–**	–
Bad debt written off	**2,580,895**	6,006,140	**2,580,895**	5,934,990
Directors' remuneration				
- Fee	**387,500**	367,000	**375,500**	355,000
- Emoluments	**6,432,579**	6,953,482	**4,387,735**	4,995,788
Impairment loss on amount due from subsidiary	**–**	–	**–**	188,496
Impairment loss on investment in subsidiary	**–**	–	**–**	486,981
Impairment loss on other investments	**–**	1,170,817	**–**	330,067
Other investments				
- Loss on disposal	**–**	24,055	**–**	24,055
- Written-off	**–**	–	**10**	–
Loss on foreign exchange				
- Realised	**2,714**	35,011	**–**	–
- Unrealised	**3,455**	35,424	**2,400**	16,135
Property, plant and equipment				
- Depreciation	**5,812,911**	5,527,585	**503,514**	594,349
- Loss on disposals	**53,456**	14,760	**–**	–
- Written-off	**387,825**	96,436	**3,160**	47,509
Rental				
- Plant and machinery	**7,173,403**	1,290,169	**–**	–
- Land and buildings	**3,531,706**	4,838,035	**2,018,037**	2,393,932
- Office equipment	**5,280**	9,076	**–**	–
Staff costs (i)	**46,759,599**	42,688,669	**6,068,692**	6,004,698
(i) Staff costs				
- Wages, salaries and other	**41,870,752**	38,023,567	**5,111,478**	5,008,530
- Employees Provident Fund	**4,888,847**	4,665,102	**957,214**	996,168
	46,759,599	42,688,669	**6,068,692**	6,004,698

31. INCOME TAX EXPENSE

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
CONTINUING OPERATIONS		
Current income tax		
Malaysian income tax	**1,858,510**	614,438
Foreign tax	**162,833**	874,108
(Over)/Under provision in prior years		
Malaysian income tax	**(563,281)**	478,617
	1,458,062	1,967,163
Deferred tax		
Relating to origination and reversal of differences	**178,600**	(181,000)
Total income tax expense	**1,636,662**	1,786,163

Domestic current income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
Loss before tax from:		
Continuing operations	**(25,680,849)**	(38,426,527)
Taxation at Malaysian statutory tax rate of 25%	**(6,420,212)**	(9,606,632)
Income not subject to tax	**(833,518)**	(406,319)
Effect of share of loss of associates	**3,853,830**	4,928,939
Expenses not deductible for tax purposes	**2,304,310**	1,639,766
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	**3,333,435**	4,751,792
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	**(37,902)**	–
(Over)/Under provision of tax expenses in prior years	**(563,281)**	478,617
Income tax expense for the financial year	**1,636,662**	1,786,163

31. INCOME TAX EXPENSE (cont'd)

	COMPANY	
	31.3.2014 RM	**31.3.2013 RM**
Under provision in prior years Malaysian income tax	**–**	684,069
Profit before tax	**38,796,537**	32,233,629
Taxation at Malaysian statutory tax rate of 25%	**9,699,134**	8,058,407
Income not subject to tax	**(10,625,992)**	(10,626,663)
Expenses not deductible for tax purposes	**291,822**	289,326
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	**635,036**	2,278,930
Under provision of tax expenses in prior years	**–**	684,069
Income tax expense for the financial year	**–**	684,069

	GROUP		COMPANY	
	31.3.2014 RM	**31.3.2013 RM**	**31.3.2014 RM**	**31.3.2013 RM**
Tax savings during the financial year arising from:				
Utilisation of current year's tax losses	**530,321**	1,764,812	**366,031**	1,764,812
Utilisation of previously unrecognised tax losses	**151,608**	–	**–**	–

32. LOSS PER SHARE

Loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	31.3.2014 RM	**31.3.2013 RM**
Loss from continuing operations attributable to owners of the Company	**(27,317,511)**	(40,212,690)
Weighted average number of ordinary shares in issue	**113,914,700**	113,914,700
Loss per share attributable to owners of the Company (sen) Basic	**(23.98)**	(35.30)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements except as disclosed in Note 40 to the financial statements.

There are no shares in issuance which have a dilutive effect to the earnings per share of the Group.

33. DIVIDENDS

	COMPANY	
	31.3.2014	**31.3.2013**
	RM	**RM**
First and final dividend in respect of the financial year 2012, single-tier of 5.0% per share	**–**	5,695,735

34. OPERATING LEASE ARRANGEMENTS

The Group has entered into operating lease agreements on its investment property portfolio. These leases have remaining lease terms of not later than 5 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions and certain contracts include contingent rental arrangements computed based on sales achieved by tenants.

The future minimum lease payments receivable under operating leases contracted for as at the balance sheet date but not recognised as receivable, are as follows:

	31.3.2014	**31.3.2013**
	RM	**RM**
Not later than 1 year	**392,663**	332,929
Later than 1 year but not later than 5 years	**254,533**	649,069
	647,196	981,998

Investment property rental income including contingent rent are recognised in profit or loss during the financial year as disclosed in Note 26 to the financial statements.

35. RELATED PARTY DISCLOSURES

	GROUP	
	31.3.2014	**31.3.2013**
	RM	**RM**
Service rendered by a Director		
Consultant fee charged by		
- Mr Kwok Yoke How	**172,200**	–
Companies in which certain Directors are deemed to have interests:		
Building materials and spare parts purchased from/(by)		
- Amatir Resources Sdn Bhd	**–**	10,833
- Binaderas Sdn Bhd	**154,406**	–
- ICSD Ventures Sdn Bhd	**(22,686)**	–
- Imuda Sdn Bhd	**617,185**	862,650
- Iringan Flora Sdn Bhd	**35,090**	–
- Quality Parts Sdn Bhd	**1,208,361**	660,907

35. RELATED PARTY DISCLOSURES (cont'd)

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
Companies in which certain Directors are deemed to have interests: (cont'd)		
Progress billings on contracts to		
- Amatir Resources Sdn Bhd	**(4,666,517)**	(5,439,209)
- Excellent Bonanza Sdn Bhd	**(2,340,374)**	(57,791,057)
- ICSD Ventures Sdn Bhd	**(113,928)**	(29,905,438)
- Iringan Flora Sdn Bhd	**(2,755,279)**	–
- Ireka Land Sdn Bhd	**(19,305,285)**	(2,672,721)
- Urban DNA Sdn Bhd	**(4,848,291)**	–
Reimbursement of expenses from/(to)		
- Amatir Resources Sdn Bhd	**12,272**	(5,499)
- Binaderas Sdn Bhd	**(51,955)**	1,650
- ICSD Ventures Sdn Bhd	**(5,622)**	860,998
- Imuda Sdn Bhd	**865,611**	546,249
- Ireka Land Sdn Bhd	**257,458**	157,592
- Iringan Flora Sdn Bhd	**6,791**	–
- Priority Elite Sdn Bhd	**(181)**	–
- Quality Parts Sdn Bhd	**87,456**	–

	COMPANY 31.3.2014 RM	COMPANY 31.3.2013 RM
Subsidiary companies:		
Dividend income	**(42,500,000)**	(42,500,000)
Interest income	**(365,931)**	(346,178)
Labour charges recoverable	**(778,078)**	(894,433)
Management fees	**(12,848,421)**	(12,683,648)
Maintenance fees	**81,000**	131,765
Rental income	**(1,382,691)**	(1,399,200)
Transport income	**(9,168)**	(336,046)

35. RELATED PARTY DISCLOSURES (cont'd)

Outstanding balances arising from trade transactions during the financial year are as follows:

	GROUP	
	31.3.2014 RM	**31.3.2013 RM**
Included in trade receivables:		
Amatir Resources Sdn Bhd	**301,723**	421,623
Hoa Lam - Shangri-la 1 Liability Ltd Co	**13,582,607**	23,592,713
ICSD Ventures Sdn Bhd	**400,585**	2,917,830
Ireka Land Sdn Bhd	**10,970,872**	–
Iringan Flora Sdn Bhd	**–**	3,231,768
Imuda Sdn Bhd	**1,885,515**	2,346,317
Inovtecs Sdn Bhd	**1,735,938**	1,735,938
Urban DNA Sdn Bhd	**922,415**	209,116
Uspa Construction Sdn Bhd	**3,795,722**	3,795,722
	33,595,377	38,251,027
Included in trade payables:		
Binaderas Sdn Bhd	**3,759,107**	3,670,072
Ireka Land Sdn Bhd	**467,090**	4,048,611
Iringan Flora Sdn Bhd	**19,719**	–
Quality Parts Sdn Bhd	**890,086**	401,957
	5,136,002	8,120,640

The Directors are in the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Included in the total key management personnel are:

	GROUP		COMPANY	
	31.3.2014 RM	**31.3.2013 RM**	**31.3.2014 RM**	**31.3.2013 RM**
Directors' remuneration - Note 30	**6,820,079**	7,320,482	**4,763,235**	5,350,788

36. CONTINGENT LIABILITIES

	GROUP 31.3.2014 RM	GROUP 31.3.2013 RM
Unsecured -		
Claims by sub-contractor pertaining to the additional work (i)	**1,564,081**	1,564,081

(i) As arbitral proceedings have not yet been completed and therefore it is not practicable to state the timing of any payment. The Group has been advised by its legal counsel that the Group has a reasonable prospect of success in defending a part of sub-contractor's claims and accordingly no provision for any liability has been made in these financial statements.

37. SEGMENTAL INFORMATION

Primary Reporting - Business segments

31.3.2014	CONTINUING OPERATIONS CONSTRUCTION RM	PROPERTY DEVELOPMENT RM	TRADING AND SERVICES RM	HOSPITALITY AND LEISURE RM	INVESTMENT HOLDING RM	ELIMINATION RM	TOTAL RM
Revenue							
External sales	231,972,773	31,499,469	25,527,737	-	676,108	-	289,676,087
Inter-segment sales	21,762,597	-	5,895,912	-	55,823,489	(83,481,998)	-
Total revenue	253,735,370	31,499,469	31,423,649	-	56,499,597	(83,481,998)	289,676,087
Result							
Segment result	(2,262,140)	3,577,609	(572,100)	(35,225)	21,926,007	(24,795,055)	(2,160,904)
Finance costs							(8,373,836)
Interest income							269,211
Share of loss of associates					(15,415,320)		(15,415,320)
Loss before tax							(25,680,849)
Income tax expense							(1,636,662)
Loss for the year							(27,317,511)

Information about a major customer

Revenue from major customer amounted to RM18,084,240 (31.3.2013 - RM210,279,566), arising from revenue earned by the construction segment.

37. SEGMENTAL INFORMATION (cont'd)

Primary Reporting - Other information

31.3.2014	CONTINUING OPERATIONS CONSTRUCTION RM	PROPERTY DEVELOPMENT RM	TRADING AND SERVICES RM	HOSPITALITY AND LEISURE RM	INVESTMENT HOLDING RM	ELIMINATION RM	TOTAL RM	DISCONTINUED OPERATION RM	PER CONSOLIDATED FINANCIAL STATEMENTS TOTAL RM
Other information									
Segment assets	276,808,782	64,765,419	18,308,133	480	223,130,428	(39,261,275)	543,751,967	–	543,751,967
Segment liabilities	330,838,499	31,068,024	4,793,260	2,120	25,303,889	–	392,005,792	–	392,005,792
Additions to non-current assets:									
Property, plant and equipment	9,380,592	10,935	143,711	–	36,298	–	9,571,536	–	9,571,536
Investment properties	46,710	–	–	–	1,119,510	–	1,166,220	–	1,166,220
Land held for property development	–	4,596,383	–	–	–	–	4,596,383	–	4,596,383
Depreciation	4,278,348	5,592	836,610	–	692,361	–	5,812,911	–	5,812,911
Reversal of impairment loss	–	–	–	–	(864,825)	–	(864,825)	–	(864,825)

37. SEGMENTAL INFORMATION (cont'd)

Primary Reporting - Business segments

31.3.2013	CONSTRUCTION RM	PROPERTY DEVELOPMENT RM	TRADING AND SERVICES RM	HOSPITALITY AND LEISURE RM	INVESTMENT HOLDING RM	ELIMINATION RM	TOTAL RM
	CONTINUING OPERATIONS						
Revenue							
External sales	305,136,851	–	24,195,968	–	599,586	–	329,932,405
Inter-segment sales	4,842,293	–	9,328,505	–	55,638,218	(69,809,016)	–
Total revenue	309,979,144	–	33,524,473	–	56,237,804	(69,809,016)	329,932,405
Result							
Segment result	2,649,838	(820,421)	(519,367)	(25,239)	32,257,504	(44,360,501)	(10,818,186)
Finance costs							(8,376,593)
Interest income							484,009
Share of loss of associates					(19,715,757)		(19,715,757)
Loss before tax							(38,426,527)
Income tax expense							(1,786,163)
Loss for the year							(40,212,690)

37. SEGMENTAL INFORMATION (cont'd)

Primary Reporting - Other information

31.3.2013	CONSTRUCTION RM	PROPERTY DEVELOPMENT RM	TRADING AND SERVICES RM	HOSPITALITY AND LEISURE RM	INVESTMENT HOLDING RM	ELIMINATION RM	TOTAL RM	DISCONTINUED OPERATION RM	PER CONSOLIDATED FINANCIAL STATEMENTS TOTAL RM
	← CONTINUING OPERATIONS →								
Other information									
Segment assets	227,751,756	46,206,197	31,420,311	39,124	228,399,402	(21,852,407)	511,964,383	6	511,964,389
Segment liabilities	267,213,319	28,269,754	11,565,776	7,550	26,108,818	(13,179)	333,152,038	–	333,152,038
Additions to non-current assets:									
Property, plant and equipment	3,293,605	3,844	4,856,864	–	49,142	(621,180)	7,582,275	–	7,582,275
Investment properties	–	–	–	–	436,737	–	436,737	–	436,737
Land held for property development	–	2,077,451	–	–	–	–	2,077,451	–	2,077,451
Depreciation	4,168,889	3,162	562,089	–	793,445	–	5,527,585	–	5,527,585
Impairment loss	–	–	–	–	1,170,817	–	1,170,817	–	1,170,817

37. SEGMENTAL INFORMATION (cont'd)

Geographical information

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

	REVENUE		NON-CURRENT ASSETS	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Malaysia	**284,525,494**	257,162,347	**255,073,337**	269,101,947
Vietnam	**5,150,593**	72,770,058	**2,253,992**	1,433,456
	289,676,087	329,932,405	**257,327,329**	270,535,403

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	MALAYSIA	VIETNAM	MALAYSIA	VIETNAM
	31.3.2014		31.3.2013	
	RM	RM	RM	RM
Property, plant and equipment	**59,187,274**	**151,699**	56,903,958	195,988
Investment properties	**19,902,826**	**–**	23,799,120	–
Investment in associates	**131,968,972**	**–**	148,818,987	–
Others investments	**275,500**	**2,102,293**	275,500	1,237,468
Land held for property development	**43,720,765**	**–**	39,124,382	–
Deferred tax assets	**–**	**–**	180,000	–
	255,055,337	**2,253,992**	269,101,947	1,433,456

38. FINANCIAL INSTRUMENTS

The main areas of financial risks faced by the Group are foreign currency risk, interest rate risk, credit risk, price risk, liquidity and cash flow risks. The Group's overall financial risk management objective is to ensure that the Group enhances shareholders' value. The Group establishes and operates within financial risk management policies approved by the Board of Directors to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing these risks. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies.

(a) Foreign currency risk

The Group has investments in United Kingdom and Vietnam and is exposed to United State Dollars and Vietnamese Dong. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposure.

The Group's policy is to minimise exposure on foreign currency by matching foreign currency receivables against foreign currency payable, and whenever possible, to borrow in the currency of the country in which the business is located.

38. FINANCIAL INSTRUMENTS (cont'd)

(a) Foreign currency risk (cont'd)

Currency profile of major financial assets and liabilities

	DENOMINATED IN OTHER THAN FUNCTIONAL CURRENCIES US DOLLAR	VND	GBP	SGD	DENOMINATED IN FUNCTIONAL CURRENCIES	TOTAL
Group						
31.3.2014						
Other investments	**–**	**2,102,293**	**–**	**–**	**275,500**	**2,377,793**
Trade and other receivables	**–**	**582,720**	**–**	**–**	**140,535,696**	**141,118,416**
Cash and bank balances	**141,409**	**244,143**	**333**	**128,466**	**35,860,944**	**36,375,295**
	141,409	**2,929,156**	**333**	**128,466**	**176,672,140**	**179,871,504**
31.3.2013						
Other investments	–	1,237,468	–	–	275,500	1,512,968
Trade and other receivables	–	2,284,599	–	–	128,398,644	130,683,243
Cash and bank balances	206,554	229,792	2,453	128,446	16,095,277	16,662,522
	206,554	3,751,859	2,453	128,446	144,769,421	148,858,733
Company						
31.3.2014						
Cash and bank balances	**113,399**	**1,699**	**–**	**–**	**3,700,621**	**3,815,719**
31.3.2013						
Cash and bank balances	128,471	1,404	–	–	3,018,712	3,148,587

The group is exposed to currency translation risk arising from its net investments in foreign operations in Vietnam.

38. FINANCIAL INSTRUMENTS (cont'd)

(a) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

At 31 March 2014, if other investments, trade and other receivables and cash and bank balances denominated in a currency other than the functional currency of the Group and of the Company entity strengthened/(weakened) by 10% and all other variables were held constant, the effects on the Group's profit and loss and equity expressed in Ringgit Malaysia would have been RM319,936/(RM319,936) (31.3.2013 - RM408,931/(RM408,931)) and the Company's profit and loss and equity would have been RM11,510/(RM11,510) (31.3.2013 - RM12,987/(RM12,987)).

(b) Interest rate risk

The Group's primary interest rate risk relates to deposits and interest-bearing debts. The investments in financial assets are mainly short term in nature and mostly have been placed in fixed deposits and money market instruments. The Group manages its interest exposure on interest-bearing financial liabilities by maintaining a prudent mix of fixed and floating rate borrowings, whenever possible.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed as follows :

Exposure to interest rate risk

	GROUP		COMPANY	
	31.3.2014 RM	**31.3.2013 RM**	**31.3.2014 RM**	**31.3.2013 RM**
Fixed rate instruments:				
Financial assets	**–**	–	**10,247,727**	8,863,556
Financial liabilities	**8,509,129**	7,373,499	**147,977**	324,382
Floating rate instruments:				
Financial assets	**36,375,295**	16,662,522	**3,815,719**	3,148,587
Financial liabilities	**180,617,142**	144,145,932	**1,800,731**	1,803,126

Sensitivity analysis for interest rate risk

The interest rate risk sensitivity analysis on the fixed rate instrument is not disclosed as this financial instrument is measured at amortised cost.

At 31 March 2014, if interest rate had been 100 basis point higher/lower and all other variables were held constant, the effects on the Group's profit and loss and equity expressed in Ringgit Malaysia would have been RM1,081,814/(RM1,081,814) (31.3.2013 - RM956,126/(RM956,126)) and the Company's profit and loss and equity would have been RM15,112/(RM15,112) (31.3.2013 - RM10,091/(RM10,091)).

38. FINANCIAL INSTRUMENTS (cont'd)

(c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investments securities, cash and bank balances and derivatives), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Head of Credit Control. In the previous financial year, the Group has adopted a new policy to enter into trade credit insurance for first-time customers who wish to trade on credit terms in order to mitigate heightened credit risks arising from revenue growth strategies.

The Group does not have any significant exposure to any individual customer nor counterparty, except Aseana Properties Limited and subsidiaries; nor does it have any major concentration of credit risk related to any financial assets, other than as disclosed in Note 35 to the financial statements.

(i) Financial guarantees

Risk managements 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.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted to RM48,012,635 (31.3.2013 - RM23,679,920) representing the outstanding banking facilities of the subsidiary 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.

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

38. FINANCIAL INSTRUMENTS (cont'd)

(c) Credit risk (cont'd)

(ii) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amount owing by a major customer which constituted approximately 21% (31.3.2013 - 29%) of its trade receivables as at the end of the reporting period.

(d) Price risk

Equity price risk arises from the Group's investments in quoted shares which are available-for-sale and held by the Group at fair value at reporting date. Gains and losses arising from changes in the fair value of available-for-sale investments are recognised in Group's profit and loss and equity.

Sensitivity analysis for equity price risk

At 31 March 2014, if the Vietnam Ho Chi Minh Stock Index had been 10% higher/lower, with all other variables held constant, the Group's other reserve in equity would have been RM210,229 - (31.3.2013 – RM123,747) higher/lower, as a result of an increase/(decrease) in the fair value of equity instruments classified as available-for-sale. As at the reporting date, the impact of changes in 10% in Vietnam Ho Chi Minh Stock Index, with all other variables held constant, is insignificant to the Group's profit and loss and equity.

(e) Liquidity and cash flow risks

The Group raises funds as required on the basis of budgeted expenditure and inflows for the next twelve months with the objective of ensuring adequate funds to meet commitments associated with its financial liabilities. When funds are sought, the Group balances the costs and benefits of equity and debt financing against the construction contracts to be undertaken. At 31 March 2014, the Group's borrowings to fund the construction had tenors of less than five years.

Cash flows are monitored on an on-going basis. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long term and short term financial liabilities as well as cash out flows due in its day to day operations while ensuring sufficient headroom on its undrawn committed borrowing facilities at all times so that borrowing limits and covenants are not breached. Capital investments are committed only after confirming the source of funds, e.g. securing financial liabilities.

Management is of the opinion that most of the bank borrowings can be renewed or re-financed based on the strength of the Group's earnings, cash flow and asset base.

38. FINANCIAL INSTRUMENTS (cont'd)

(e) Liquidity and cash flow risks (cont'd)

The following tables set out the carrying amounts, the weighted average effective interest rates (WAEIR) as at the balance sheet date and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk.

As at 31.3.2014	Note	WAEIR %	ON DEMAND OR WITHIN 1 YEAR RM	1 TO 2 YEARS RM	2 TO 3 YEARS RM	3 TO 4 YEARS RM	4 TO 5 YEARS RM	MORE THAN 5 YEARS RM	TOTAL RM
Group									
Financial liabilities									
Fixed rate									
Hire purchase and finance lease liabilities	23	6.82	3,284,275	2,120,836	1,466,810	1,052,239	584,969	–	8,509,129
Floating rate									
Bank overdrafts	23	7.32	52,734,303	–	–	–	–	–	52,734,303
Revolving credits	23	4.70	53,210,782	–	–	–	–	–	53,210,782
Trade finance	23	4.54	24,526,000	–	–	–	–	–	24,526,000
Term loans	23	6.70	7,667,299	18,289,875	12,044,460	4,468,512	3,545,576	4,130,335	50,146,057
Trade and other payables	25		183,880,082	–	–	–	–	–	183,880,082
Total undiscounted financial liabilities			322,018,466	18,289,875	12,044,460	4,468,512	3,545,576	4,130,335	364,497,224
Company									
Fixed rate									
Hire purchase and finance lease liabilities	23	4.63	130,677	17,300	–	–	–	–	147,977
Floating rate									
Bank overdrafts	23	7.54	785,885	–	–	–	–	–	785,885
Revolving credits	23	6.66	1,014,846	–	–	–	–	–	1,014,846
Other payables	25		8,918,028	–	–	–	–	–	8,918,028
Total undiscounted financial liabilities			10,718,759	–	–	–	–	–	10,718,759

38. FINANCIAL INSTRUMENTS (cont'd)

(e) Liquidity and cash flow risks (cont'd)

As at 31.3.2013	Note	WAEIR %	ON DEMAND OR WITHIN 1 YEAR RM	1 TO 2 YEARS RM	2 TO 3 YEARS RM	3 TO 4 YEARS RM	4 TO 5 YEARS RM	MORE THAN 5 YEARS RM	TOTAL RM
Group									
Financial liabilities									
Fixed rate									
Hire purchase and finance lease liabilities	23	6.44	4,251,388	2,147,550	501,285	473,276	–	–	7,373,499
Floating rate									
Bank overdrafts	23	7.66	26,490,929	–	–	–	–	–	26,490,929
Revolving credits	23	5.94	33,620,374	–	–	–	–	–	33,620,374
Trade finance	23	5.37	24,888,000	–	–	–	–	–	24,888,000
Term loans	23	6.57	14,797,338	12,928,392	12,928,392	10,247,770	5,282,792	2,961,945	59,146,629
Trade and other payables	25		161,809,053	–	–	–	–	–	161,809,053
Total undiscounted financial liabilities			261,605,694	12,928,392	12,928,392	10,247,770	5,282,792	2,961,945	305,954,985
Company									
Fixed rate									
Hire purchase and finance lease liabilities	23	4.66	187,220	130,677	6,485	–	–	–	324,382
Floating rate									
Bank overdrafts	23	7.47	788,507	–	–	–	–	–	788,507
Revolving credits	23	6.63	1,014,619	–	–	–	–	–	1,014,619
Other payables	25		5,640,903	–	–	–	–	–	5,640,903
Total undiscounted financial liabilities			7,444,029	–	–	–	–	–	7,444,029

38. FINANCIAL INSTRUMENTS (cont'd)

(f) Fair values

The carrying amount of trade and other receivables, deposits, cash and cash equivalents, trade and other payables, accruals and current bank loans and borrowings approximate their fair values in the current and prior years due to relatively short term in nature of these financial instruments.

Non current bank loans earn interest at floating rates and the fair value in the current and prior years approximates to the carrying value.

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date. No disclosure is made in respect of unquoted investment as it is not practicable to determine their fair values because of the lack of quoted market price.

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (such as prices) or indirectly (such as derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market date (unobservable inputs).

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

GROUP	LEVEL 1 31.3.2014 RM	 31.3.2013 RM
Other investments		
Investment in quoted shares	**2,102,293**	1,237,468

There were no transfers between level 1, 2 and level 3 fair value measurements during the financial year ended 31 March 2013 and 31 March 2014.

The Company provides financial guarantees to banks for credit facilities extended to certain subsidiaries. The fair value of such financial guarantees is not expected to be material as the probability of the subsidiaries defaulting on the credit lines is remote.

The Directors do not anticipate the carrying amounts recorded in the balance sheet to be significantly different from the fair values of the non-trade amounts due to/from intergroup of companies within the Group.

It is not practicable to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome.

38. FINANCIAL INSTRUMENTS (cont'd)

(f) Fair values (cont'd)

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

	31.3.2014		31.3.2013	
	CARRYING AMOUNT RM	FAIR VALUE RM	CARRYING AMOUNT RM	FAIR VALUE RM
Group				
Hire purchase and finance lease	**8,509,129**	**8,929,836**	7,373,499	7,709,113
Company				
Hire purchase and finance lease	**147,977**	**168,142**	324,382	361,653

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table.

Non-derivative financial liabilities

Fair value, which is determined for disclosures purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For finance leases the market rate of interest is determined by references to similar lease agreements.

Interest rate used to determine fair value

The interest rates used to discount estimated cash flows are as follows:

	31.3.2014 %	31.3.2013 %
Hire purchase and finance lease liabilities	**4.59 - 10.00**	4.53 - 10.00

39. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust for the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2014 and 31 March 2013.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity attributable to the owner of the parent. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

		GROUP		COMPANY	
	NOTE	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
Bank borrowings	23	**189,126,271**	151,519,431	**1,948,708**	2,127,508
Less: Cash and cash equivalents	19	**(36,375,295)**	(16,662,522)	**(3,815,719)**	(3,148,587)
Net debt		**152,750,976**	134,856,909	**(1,867,011)**	(1,021,079)
Equity attributable to the owners of the Company		**151,746,175**	178,812,351	**242,511,484**	203,714,947
Capital and net debt		**304,497,151**	313,669,260	**240,644,473**	202,693,868
Gearing ratio (net cash)		**1.01**	0.75	**–**	–

40. SUBSEQUENT EVENTS

On 27 February 2014, the Company announced its proposal to undertake a renounceable two-call rights issue of 56,957,350 new ordinary shares of RM1.00 each in the Company ("Rights Shares") together with 56,957,350 free detachable warrants ("Warrant(s)") on the basis of one (1) Rights Share with one (1) free Warrant for every two (2) existing ordinary shares of RM1.00 each held in the Company at an issue price of RM1.00 per Rights Share, of which the first call of RM0.65 per Rights Share is payable in cash on application and the second call of RM0.35 is to be capitalised from the Company's share premium account ("Rights Issue with Warrants").

On 1 July 2014, the Company announced that the Rights Issue with Warrants has been completed following the listing of and quotation for the 56,957,350 Rights Shares and 56,957,350 Warrants on the Main Market of Bursa Malaysia Securities Berhad on the same day.

41. SUPPLEMENTARY INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained earnings of the Group and of the Company as at 31 March 2014 and 31 March 2013, into realised and unrealised profits/(losses), pursuant to the directive, is as follows:

	GROUP		COMPANY	
	31.3.2014 RM	31.3.2013 RM	31.3.2014 RM	31.3.2013 RM
The retained earnings of the Company and its subsidiaries:				
- Realised	**56,155,049**	66,732,708	**107,335,824**	68,539,287
- Unrealised	**(4,355,134)**	(3,030,602)	**(610,000)**	(610,000)
	51,799,915	63,702,106	**106,725,824**	67,929,287
The shares of accumulated losses of its associates :				
- Realised	**(38,286,057)**	(20,108,947)	**–**	–
- Unrealised	**2,637,722**	(124,068)	**–**	–
	(35,648,335)	(20,233,015)	**–**	–
Total retained earnings	**16,151,580**	43,469,091	**106,725,824**	67,929,287

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

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

STATISTICS OF SHAREHOLDINGS
AS AT 31 JULY 2014

Authorised share capital	:	RM500,000,000.00
Issued & fully paid-up capital	:	RM170,872,050.00
Class of shares	:	Ordinary Share of RM1.00 each
Voting right	:	1 vote per ordinary share

Size of holdings	**No. of shareholders**	**No. of shares**	**%**
1 – 99	65	953	0.00
100 – 1,000	766	712,500	0.42
1,001 – 10,000	1,442	6,076,750	3.56
10,001 – 100,000	475	14,406,838	8.43
100,001 – less than 5% of issued shares	86	53,074,640	31.06
5% and above of issued shares	4	96,600,369	56.53
Total	**2,838**	**170,872,050**	**100.00**

DIRECTORS' SHAREHOLDINGS

Directors	Direct No. of shares	%	Indirect No. of shares	%
Haji Ir. Abdullah bin Yusof	1,500,000	0.88	–	–
Datuk Lai Siew Wah *P.G.D.K.*	–	–	73,502,997*	43.02
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	8,572,150	5.02	–	–
Chan Soo Har @ Chan Kay Chong	3,277,125	1.92	23,097,372**	13.52
Lai Man Moi	2,161,125	1.26	23,097,372**	13.52
Lai Voon Hon	18,000	0.01	73,502,997*	43.02
Lai Voon Huey, Monica	9,000	0.01	73,502,997*	43.02
Kwok Yoke How	1,742,603	1.02	–	–
Haji Mohd. Sharif bin Haji Yusof	–	–	–	–

SUBSTANTIAL SHAREHOLDERS' HOLDINGS

Substantial Shareholders	Direct No. of shares	%	Indirect No. of shares	%
Ideal Land Holdings Sdn Bhd	73,502,997	43.02	–	–
Magnipact Resources Sdn Bhd	23,097,372	13.52	–	–
Green Rivervale Holdings Sdn Bhd	–	–	23,097,372^	13.52
Chan Soo Har @ Chan Kay Chong	3,277,125	1.92	23,097,372**	13.52
Lai Man Moi	2,161,125	1.26	23,097,372**	13.52
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	8,572,150	5.02	–	–
Datuk Lai Siew Wah *P.G.D.K.*	–	–	73,502,997*	43.02
Lai Voon Hon	18,000	0.01	73,502,997*	43.02
Lai Voon Keat	–	–	73,502,997*	43.02
Lai Voon Wai	–	–	73,502,997*	43.02
Liw Yoke Yin	18,000	0.01	73,502,997*	43.02

Notes:
* Deemed interests through Ideal Land Holdings Sdn Bhd
** Deemed interests through Green Rivervale Holdings Sdn Bhd
^ Deemed interests through Magnipact Resources Sdn Bhd

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd)	45,502,997	26.63
2.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Magnipact Resources Sdn Bhd)	23,097,372	13.52
3.	Amsec Nominees (Tempatan) Sdn Bhd (Pledged Securities Account - AmBank (M) Berhad for Ideal Land Holdings Sdn Bhd)	14,500,000	8.49
4.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd (Magnipact))	13,500,000	7.90
5.	Thong Kok Cheong	8,225,550	4.81
6.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Jaat Kong @ Lai Foot Kong)	6,524,050	3.82
7.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong)	2,592,375	1.52
8.	Lim Sow Mun	2,300,000	1.35
9.	Lai Jaat Kong @ Lai Foot Kong	2,048,100	1.20
10.	Sapiah @ Safiah binti Hussin	1,800,000	1.05
11.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Man Moi)	1,720,375	1.01
12.	Abdullah bin Yusof	1,500,000	0.88
13.	How Sue Chan @ Ho Sue Chan	1,412,900	0.83
14.	Chan Lin Yau	1,200,000	0.70
15.	Kwok Yoke How	1,166,600	0.68
16.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ang Yook Chu @ Ang Yoke Fong (8076574))	1,131,200	0.66
17.	Cimsec Nominees (Asing) Sdn Bhd (CIMB for Mahomed Ferheen (PB))	1,079,850	0.63
18.	Choon Siew & Sons Sdn. Berhad	1,050,000	0.61
19.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Leong Thim Choy (8020717))	816,500	0.48
20.	Tan Hwa Ling @ Tan Siew Leng	789,900	0.46
21.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Yap Soon Heng (E-TJJ))	692,200	0.41
22.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for Credit Suisse (SG BR-TST-ASING))	675,637	0.40
23.	Cimsec Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Foo Loke Fu (IPOH GDN-CL))	600,000	0.35
24.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for HSBC Broking Securities (Asia) Limited (Client A/C))	577,800	0.34
25.	Kwok Yoke How	576,003	0.34
26.	Teo Ah Seng	563,700	0.33
27.	CIMB Group Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong (4748 CWAY))	511,500	0.30
28.	Cimsec Nominees (Tempatan) Sdn Bhd (CIMB for Chan Chow Hong (PB))	500,000	0.29
29.	JF APEX Nominees (Tempatan) Sdn Bhd (Huatai Financial Holdings (HK) Limited for GV Asia Fund Limited)	500,000	0.29
30.	Lim Jit Hai	500,000	0.29

STATISTICS OF WARRANT HOLDINGS
AS AT 31 JULY 2014

No. of Warrants in issue	:	56,957,350
Exercise Price per Warrant	:	RM1.00
Exercise Period	:	26 June 2014 – 25 June 2019
Exercise Rights	:	Each warrant entitles the holder to subscribe for one new ordinary share of RM1.00 each in the Company

Size of holdings	No. of holders	No. of warrants	%
1 – 99	5	152	0.00
100 – 1,000	184	136,380	0.24
1,001 – 10,000	412	1,598,808	2.81
10,001 – 100,000	172	6,806,900	11.95
100,001 – less than 5% of issued warrants	35	16,214,987	28.47
5% and above of issued warrants	2	32,200,123	56.53
Total	**810**	**56,957,350**	**100.00**

STATISTICS OF WARRANT HOLDINGS cont'd
AS AT 31 JULY 2014

DIRECTORS' WARRANT HOLDINGS

Directors	Direct No. of warrants	%	Indirect No. of warrants	%
Haji Ir. Abdullah bin Yusof	–	–	–	–
Datuk Lai Siew Wah *P.G.D.K.*	–	–	24,500,999*	43.02
Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM*	2,924,050	5.13	–	–
Chan Soo Har @ Chan Kay Chong	1,092,375	1.92	7,699,124**	13.52
Lai Man Moi	720,375	1.26	7,699,124**	13.52
Lai Voon Hon	6,000	0.01	24,500,999*	43.02
Lai Voon Huey, Monica	3,000	0.01	24,500,999*	43.02
Kwok Yoke How	–	–	–	–
Haji Mohd. Sharif bin Haji Yusof	–	–	–	–

Notes:
* Deemed interests through Ideal Land Holdings Sdn Bhd
** Deemed interests through Green Rivervale Holdings Sdn Bhd

THIRTY (30) LARGEST WARRANT HOLDERS

No.	Name	No. of warrants	%
1.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd)	24,500,999	43.02
2.	RHB Capital Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Magnipact Resources Sdn Bhd)	7,699,124	13.52
3.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Jaat Kong @ Lai Foot Kong)	2,824,050	4.96
4.	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Shin Kong Kew @ Chin Kong Kew (R25 MARGIN))	1,500,000	2.63
5.	Thong Kok Cheong	1,397,750	2.45
6.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong)	1,092,375	1.92
7.	Lim Sow Mun	803,900	1.41
8.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lai Man Moi)	720,375	1.26
9.	Cimsec Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Foo Loke Fu (IPOH GDN-CL))	629,500	1.11
10.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Yap Soon Heng (E-TJJ))	568,400	1.00
11.	Teo Ah Seng	513,700	0.90
12.	Chong Ching Yee	504,000	0.88
13.	Lee Seng Piow	450,000	0.79
14.	Chan Lin Yau	420,700	0.74
15.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Cheong Weng Keat)	400,000	0.70
16.	Cimsec Nominees (Asing) Sdn Bhd (CIMB for Mahomed Ferheen (PB))	359,950	0.63
17.	Choon Siew & Sons Sdn. Berhad	350,000	0.61
18.	JS Nominees (Asing) Sdn Bhd (Pioneer United Limited (JS 803))	300,000	0.53
19.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for Credit Suisse (SG BR-TST-ASING))	299,537	0.53
20.	Jamilah binti Ahmat	298,700	0.52
21.	Tan Hwa Ling @ Tan Siew Leng	254,000	0.45
22.	Lim E @ Lim Hoon Nam	201,700	0.35
23.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lee Cher Keam (E-SRB/KKG))	200,400	0.35
24.	Foong Chiew Kheng	200,000	0.35
25.	Mimi Cheah	200,000	0.35
26.	Tan Kuan @ Tan Kim Kuan	200,000	0.35
27.	HSBC Nominees (Asing) Sdn Bhd (Exempt An for HSBC Broking Securities (Asia) Limited (Client A/C))	192,600	0.34
28.	Cimsec Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Siow Kong Cheong @ Seow Kuan Chong (TM RAYA-CL))	170,000	0.30
29.	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Lim Soo Tien (R25-MARGIN))	150,000	0.26
30.	Ng Chiew Yin	150,000	0.26

LIST OF MATERIAL PROPERTIES
AS AT 31 MARCH 2014

No.	Location	Tenure	Approximate Land Area/ Built-up Area (sq. ft.)	Description	Age (years)	Net Book Value (RM)	Year of Acquisition
1.	Geran 53316 Lot 1084 Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	897,064	Industrial land for development	N/A	22,426,558	2011
2.	Lot PT17741, Mukim Batu Kuala Lumpur, Sectors 3-7 11-13, i-ZEN@Kiara II Mont' Kiara Kuala Lumpur	Freehold	34,639	Office space for own/external use	7	13,503,633	2007
3.	Lot PT17741, Mukim Batu Kuala Lumpur, Level 29-31 1 Mont' Kiara, Mont' Kiara Kuala Lumpur	Freehold	28,758	Office suites for investment	4	12,460,617	2007
4.	PT 37824, Mukim Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	272,915	Industrial land for development	N/A	9,549,070	2009
5.	Lot PT37823, Mukim Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	203,610	Industrial land for development	N/A	6,829,516	2009
6.	Lot 8850, Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	220,790	Agricultural land for future development	N/A	2,097,654	2011
7.	MG-01-09 @ SENI Mont' Kiara Kuala Lumpur	Freehold	3,401	Condominium for investment	3	1,989,920	2009
8.	GRN 280415, Lot 3911 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	43,986	Homesteads for investment	N/A	439,570	1995
9.	GRN 280622, Lot 4019 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	46,368	Homesteads for investment	N/A	278,208	2002
10.	Lot No. 2, Sector 1 Lembah Beringin Mukim Kuala Kelumpang Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	7,185	Bungalow lot for investment	N/A	179,625	2002

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 38th Annual General Meeting of the Company will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 26 September 2014 at 10.00 a.m. for the following purposes:

AGENDA

Ordinary Business

1. To receive the audited financial statements of the Company and of the Group for the financial year ended 31 March 2014 and the reports of the Directors and Auditors thereon. **Ordinary Resolution 1**

2. To approve the payment of Directors' fees of RM340,000.00 for the financial year ended 31 March 2014 (2013: RM340,000.00). **Ordinary Resolution 2**

3. To re-appoint the following Directors who retire pursuant to Section 129 of the Companies Act, 1965 as Directors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company:

   a. Datuk Lai Siew Wah *P.G.D.K.* **Ordinary Resolution 3**

   b. Datuk Lai Jaat Kong @ Lai Foot Kong *PJN, JSM* **Ordinary Resolution 4**

4. To re-appoint the following Directors who retire pursuant to Section 129 of the Companies Act, 1965 as Directors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and each of whom shall continue to serve as an Independent Non-executive Director of the Company notwithstanding that he has exceeded a cumulative term of nine (9) years as a Director of the Company, as recommended by the Malaysian Code on Corporate Governance 2012:

   a. Haji Ir. Abdullah bin Yusof **Ordinary Resolution 5**

   b. Haji Mohd. Sharif bin Haji Yusof **Ordinary Resolution 6**

   c. Kwok Yoke How **Ordinary Resolution 7**

5. To re-elect Lai Voon Huey, Monica who retires in accordance with Article 91(3) of the Company's Articles of Association. **Ordinary Resolution 8**

6. To re-appoint Messrs. Raja Salleh, Lim & Co. as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors. **Ordinary Resolution 9**

Special Business

To consider and, if thought fit, to pass the following resolutions:

7. **Proposed Renewal of Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965** **Ordinary Resolution 10**

   "**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and **THAT** the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and **THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

8. **Proposed Renewal of General Mandate for Recurrent Related Party Transactions** **Ordinary Resolution 11**

"**THAT** approval be and is hereby given to the Directors to enter into and give effect to specified recurrent transactions of a revenue or trading nature with specified classes of Related Parties (as set out in Section 2.2.2 of the Circular to Shareholders dated 4 September 2014) which are necessary for the Group's day-to-day operations in the ordinary course of business on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company ("Proposed General Mandate") and such approval shall continue to be in force until:

(a) the conclusion of the next annual general meeting of the Company following the general meeting at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(b) the expiration of the period within which the next annual general meeting is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and that for the avoidance of doubt, all such transactions entered into by the Company prior to the date of this resolution be and are hereby approved and ratified.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed General Mandate."

9. **Proposed Renewal of Share Buy-back Authority** **Ordinary Resolution 12**

"**THAT**, subject to the Companies Act, 1965, Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company's Articles of Association and approvals of other relevant authorities, the Company be and is hereby authorised to purchase and hold such number of ordinary shares of RM1.00 each in the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company and the amount allocated shall not exceed the retained profits and share premium account of the Company.

THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting or upon the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever occurs earlier.

THAT the Directors be and are hereby authorised to take all steps necessary to implement, finalise and to give full effect to the Proposed Share Buy-Back **AND THAT** further authority be and is hereby given to the Directors to decide in their discretion to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder and to deal with the shares so purchased in such other manner as may be permitted by the relevant legislations and regulations."

10. **Proposed Amendment to the Articles of Association of the Company** **Special Resolution 1**

    "**THAT** the Articles of Association of the Company be and are hereby amended in the manner as set out in the Circular to Shareholders dated 4 September 2014 ("Proposed Amendment").

    AND THAT the Directors of the Company be and are hereby authorised to give effect to the said amendment, alteration, modification and deletion to the Articles of Association of the Company as may be required by any relevant authorities as they deem fit, necessary or expedient in order to give full effect to the Proposed Amendment."

11. To transact any other business for which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 38th Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 64 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 22 September 2014. Only a depositor whose name appears on the Record of Depositors as at 22 September 2014 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

By Order of the Board

WONG YIM CHENG
Company Secretary
Kuala Lumpur

4 September 2014

Notes on proxy

1. A member entitled to attend and vote is entitled to appoint proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply. When a member appoints two (2) proxies to attend the Meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.

2. Where a member is an exempt authorised nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds. If more than one (1) proxy is appointed, the EAN shall specify the proportion of shareholdings to be represented by each proxy.

3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.

4. The Proxy Form duly completed, must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof.

Notes on agenda

1. **Retention of Independent Non-executive Directors**
   The Ordinary Resolutions 5, 6 and 7, if passed, will enable Haji Ir. Abdullah bin Yusof, Haji Mohd. Sharif bin Haji Yusof and Kwok Yoke How, who have attained the age of 70 years, to continue to serve as Independent Non-executive Directors notwithstanding that they had served the Board as Independent Non-executive Directors for a term of more than nine years. The Board strongly believes that a director's independence cannot be determined arbitrarily with reference only to the tenure of service. The Board is of the view that the three Directors' length of service does not interfere with their exercise of independent judgment and ability to act in the best interests of the shareholders. In addition, the Board is of the view that their detailed knowledge of the Group's businesses and their proven commitment, experience and competence will benefit the Company.

2. **Proposed Renewal of Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965**
   The Ordinary Resolution 10, if passed, will empower the Directors to issue and allot shares not exceeding 10% of the Company's issued share capital for the time being without convening further general meetings for such purposes.

   This authority is a renewal of the general mandate which will expire at the forthcoming 38th Annual General Meeting. As at the date of this Notice, the Company has not issued any shares pursuant to the mandate granted at the last Annual General Meeting.

   This new general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to placing of shares, for the purposes of funding future investment project(s), working capital, acquisitions or such other applications as the Directors deem fit.

   This would avoid any delay and cost involved in convening a general meeting to approve such issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

3. **Proposed Renewal of General Mandate for Recurrent Related Party Transactions**
   The Ordinary Resolution 11, if passed, will enable the Group to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. Further information on this resolution is set out in Part I of the Circular to Shareholders dated 4 September 2014.

4. **Proposed Renewal of Share Buy-back Authority**
   The Ordinary Resolution 12, if passed, will empower the Directors to purchase the Company's shares up to 10% of the issued and paid-up share capital of the Company by utilising the funds allocated which shall not exceed the total retained profits and share premium account of the Company. Further information on this resolution is set out in Part II of the Circular to Shareholders dated 4 September 2014.

5. **Proposed Amendment to the Articles of Association of the Company**
   The Special Resolution 1, if passed, will enhance clarity and consistency in the Company's Articles of Association. Further information on this resolution is set out in Part III of the Circular to Shareholders dated 4 September 2014.

IREKA CORPORATION BERHAD

(Company No: 25882-A)
(Incorporated in Malaysia)

PROXY FORM

No. of Shares Held : ______________________
CDS Account No. : ______________________

*I/We ____ *NRIC No./Company No. ______________________

of ____

being a member of Ireka Corporation Berhad, hereby appoint ______________________________________

____

NRIC No. ______________________ of ______________________________________

____

or failing him/her, the Chairman of the Meeting, as *my/our proxy, to vote for *me/us and on *my/our behalf at the 38th Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 26 September 2014 at 10.00 a.m. and at any adjournment thereof. *My/our proxy is to vote as indicated below:

Resolution	Agenda	For	Against
Ordinary Resolution 1	To receive the audited financial statements for the financial year ended 31 March 2014 and the reports of the Directors and Auditors thereon		
Ordinary Resolution 2	To approve the payment of Directors' fees of RM340,000.00		
Ordinary Resolution 3	To re-appoint Datuk Lai Siew Wah as a Director of the Company		
Ordinary Resolution 4	To re-appoint Datuk Lai Jaat Kong @ Lai Foot Kong as a Director of the Company		
Ordinary Resolution 5	To re-appoint Haji Ir. Abdullah bin Yusof as a Director of the Company		
Ordinary Resolution 6	To re-appoint Haji Mohd. Sharif bin Haji Yusof as a Director of the Company		
Ordinary Resolution 7	To re-appoint Kwok Yoke How as a Director of the Company		
Ordinary Resolution 8	To re-elect Lai Voon Huey, Monica as a Director of the Company		
Ordinary Resolution 9	To re-appoint Messrs. Raja Salleh, Lim & Co. as Auditors of the Company		
Ordinary Resolution 10	To propose the renewal of authority to issue and allot shares pursuant to Section 132D of the Companies Act, 1965		
Ordinary Resolution 11	To propose the renewal of general mandate for Recurrent Related Party Transactions		
Ordinary Resolution 12	To propose the renewal of share buy-back authority		
Special Resolution 1	To propose the amendment to the Articles of Association of the Company		

Please indicate with an 'X' in the appropriate spaces how you wish to cast your vote. If you do not indicate how you wish your proxy to vote on any resolutions, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

* Delete if inapplicable

____
Signature/Seal

Dated this ____________ day of ________________ 2014

NOTES:

1. A member entitled to attend and vote is entitled to appoint proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply. When a member appoints two (2) proxies to attend the Meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.
2. Where a member is an exempt authorised nominee ("EAN") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the EAN may appoint in respect of each omnibus account it holds. If more than one (1) proxy is appointed, the EAN shall specify the proportion of shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.
4. The Proxy Form duly completed, must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof.

PLEASE FOLD HERE

STAMP

IREKA CORPORATION BERHAD CO. NO. 25882-A
LEVEL 18, WISMA MONT' KIARA
NO. 1, JALAN KIARA
MONT' KIARA
50480 KUALA LUMPUR

ATTN: THE COMPANY SECRETARY

PLEASE FOLD HERE

IREKA CORPORATION BERHAD 25882-A
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