ASIAN PAC HOLDINGS BERHAD
(COMPANY NO. 129-T)

Building a Platform for Growth

ANNUAL REPORT 2015

CONTENTS

BUILDING A PLATFORM FOR GROWTH

ANNUAL REPORT 2015

IMAGO SHOPPING MALL GRAND OPENING

28 MARCH 2015

Imago Shopping Mall was officially launched on the 28th March 2015. The Opening of Imago Shopping Mall was graced by the present of the Deputy Chief Minister of Sabah, YB Datuk Raymond Tan Shu Kiah. The Opening Ceremony was heralded by exciting video presentation, performances, opening gimmick and ended with a brilliant display of pyrotechnics that lit up the sky.

IMAGO, the one and only non-strata lease-only shopping mall in Kota Kinabalu, comprises 4 levels of retail space with more than 800,000 sq ft of net lettable area and ample of car parking facilities of approximately 2,500 bays.

We are committed to bring in quality tenants, some are first time in East Malaysia, to cater to the needs of our most discerning shoppers. IMAGO has reached 85% occupancy rate with a strategic tenant mix. Since the opening of the mall in March 2015, the shoppers' traffic has been very encouraging with an average of 500,000 per month and counting.

MALL TENANTS

IMAGO is anchored by Parkson and other key tenants of Local & International retail stores which includes MBO cinemas, Everrise Supermarket, H&M, Coach, Kate Spade, Michael Kors, Bath & Body Works, Swarovski, Tumi, Sephora, Sticky, Padini Concept Store, Calvin Klein Jeans, Terranova, Aldo, DC Comics Super Heroes, Popular, Toys R Us and Molly Fantasy.

MALL TENANTS

Dining options are aplenty in IMAGO as well with a wide array of local, Asian and western delicacies. A food zone concept, namely "Pret A Gouter", first of its kind concept will be introduced to the shoppers in Kota Kinabalu, with many quick-bite food kiosks such as Boost Juice Bars, Kurtos Spiroll, Nelson's Hot & Roll, Chatime, My Pretzel, Karamell Almondo, Tako Tao, Dotts and IZ Tropical Fruit.

IMAGO HARVEST FESTIVAL

15 MAY - 31 MAY 2015

Since our Grand Opening on 28 March, we have brought in many events and promotions to bring a different shopping experience to Kota Kinabalu. We have organised Harvest Festival, Imago Fest, Hari Raya and sponsored many national level events, such as, 15th National Kids Talent Search and East Malaysia Talent Star 2015.

IMAGO FEST

29 MAY - 31 MAY 2015


HARI RAYA
4 JULY - 26 JULY 2015

In addition, we have worked with our tenants and non-tenants to organise many promotional events such as Maxis and Celcom Roadshow, Coke Cola Riang Ria, Mercedes Benz Car Roadshow, Toyota Car Roadshow, Nissan Car Roadshow and many more.

To support the local community project, we also have sponsored our venue to charity event such as blood donation, zakat counter, bag recycling project, Sabah Cultural Folklore Festival and etc. With this variety of events and promotions, it will create more excitement and different shopping experience that are new in Kota Kinabalu.

The Marketing Division also have launched IMAGO official website (www.imago.my) and the official social media of IMAGO such as Facebook page (www.facebook.com/imagoshoppingmall), Twitter (www.twitter.com/imagokkts), Wechat (ID:IMAGOKKTS) and Instagram (www.instagram.com/imagoshoppingmall).

KIDS TALENT SHOW

CAR ROADSHOW 2015

THE LOFT RESIDENCE

KOTA KINABALU'S CROWN JEWEL

Revisit the best of integrated living at The Loft Residence – a vibrant mixed landscape of Signature Offices, Street Walk Boulevard with vast leisure spaces. Immerse in daily serenity at the pristine 3.5-acre elevated Eco Deck. Equip with modern facilities such as gym, interactive playground, infinity pool and a covered link walkway.

Comprising of 631 units within the integrated hub of KK Times Square, The Loft Residence offers a truly exclusive living concept infused with a unique modern, vibrant and holistic lifestyle all under one roof. Close to the sea and to the city, enjoy stunning panoramas of the adjacent Sutera Harbour Marina Golf & Country Club and South China Sea.

The Loft Residence has emerged to be the premier address in Kota Kinabalu offering a modern, vibrant and integrated lifestyle.

DATARAN LARKIN

BUSINESS TAKES CENTRESTAGE

Situated in Johor's commercial heart, Dataran Larkin capitalises on its prime location to create a flourishing commercial hub. This strategic modern avenue of business opportunities consisting of 109 units of 2 & 3 storey shop office sits on 11.68 acres of prime freehold land in Johor Bahru.

With its column-less designs to increase visual impact while maintaining practicality ensuring maximum visibility for any business to flourish.

All in all, Dataran Larkin offers an innovative business hub with a convenient commercial address, making it a unique and sought after commercial development.

FORTUNE PERDANA

REDISCOVER SERENITY AMIDST VIBRANCY

Fortune Perdana – a modern sanctuary overlooking Kepong Metropolitan Park and the cityscape. Consisting of an integrated mixed development 36 units of shop offices and 3 blocks of service residences totaling 576 units offering a vibrant lifestyle overlooking the lush Kepong Metropolitan Park and the bustling cityscape.

Featuring designs with a certified Gold status Green Building Index ensuring an environmentally design building with better usage of green resources. A unique 2 acre Eco Deck with a lush landscape gardens offers residents a place to unwind and relax while enjoying the captivating lakeside views of the Kepong Metropolitan Park.

DAMANSARA DAMAI

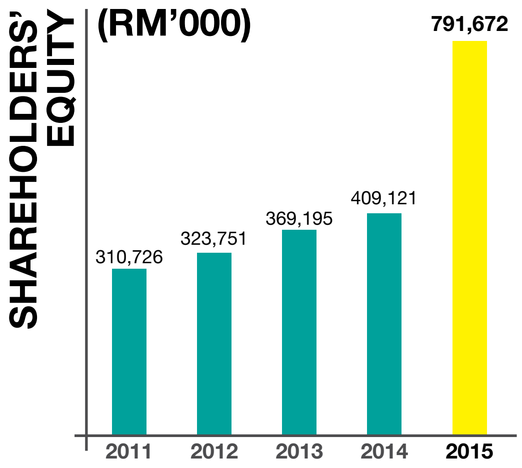
REJUVENATING URBAN ENCLAVE

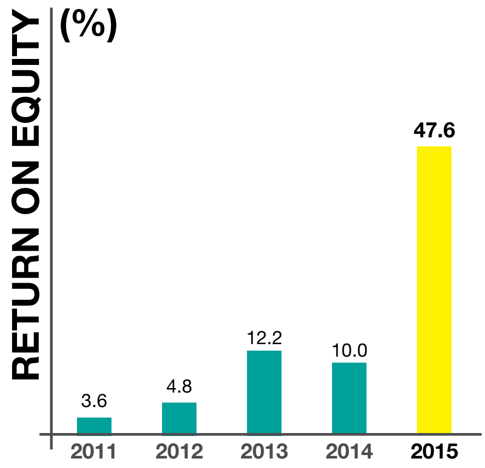
Strategically situated amid the vibrant Damansara shopping enclave, Damansara Damai is the home that offers a thriving lifestyle against the backdrop of green views. Its well-connected location via major highways and arterial roads deem Damansara Damai a stunningly practical yet contemporary habitat of signature residences and boutique shop lots. Tucked away from the city's bustle, yet within the urban connectivity of Damansara.

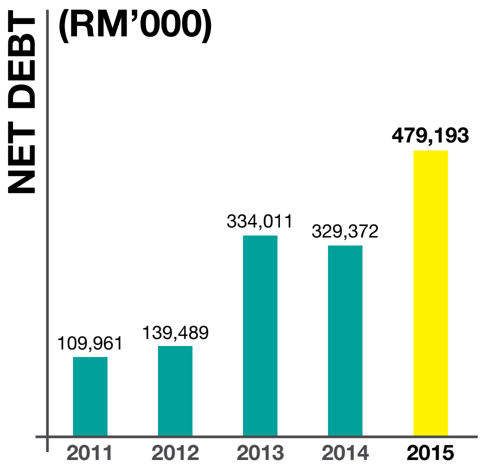
Consisting 520 units ranging from 2 bedrooms to 3+1 bedrooms which fits the market requirements, Damansara Damai promises to be the next major development that will transform the Damansara landscape.

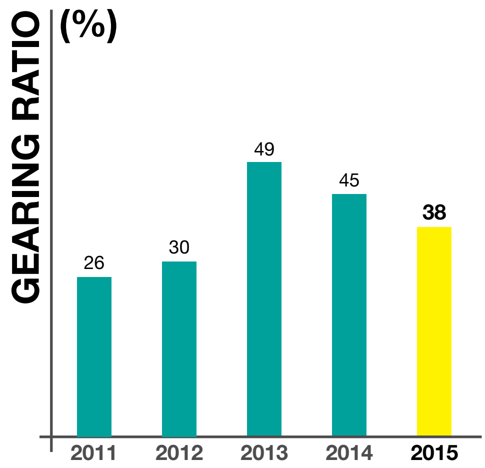


GROUP FINANCIAL HIGHLIGHTS



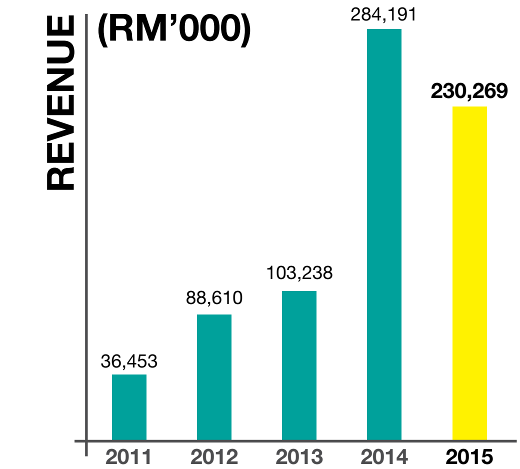


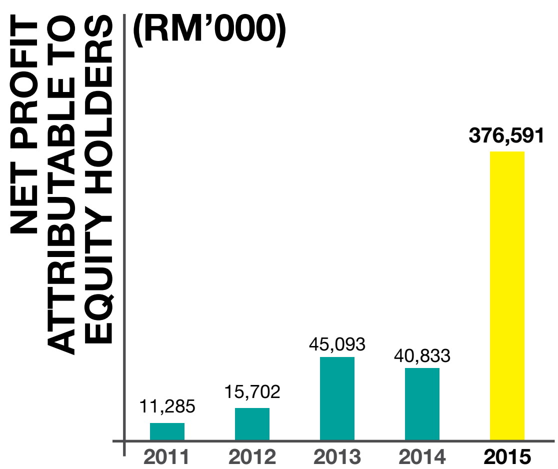


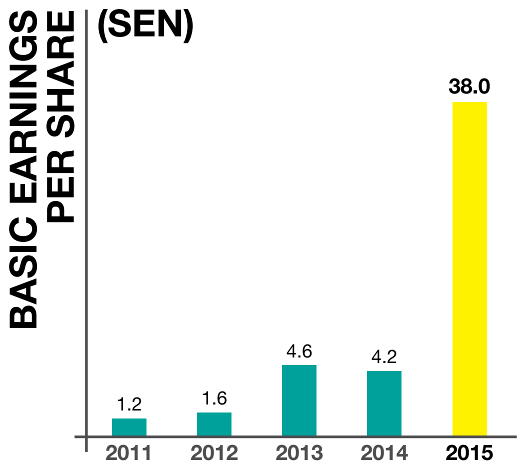


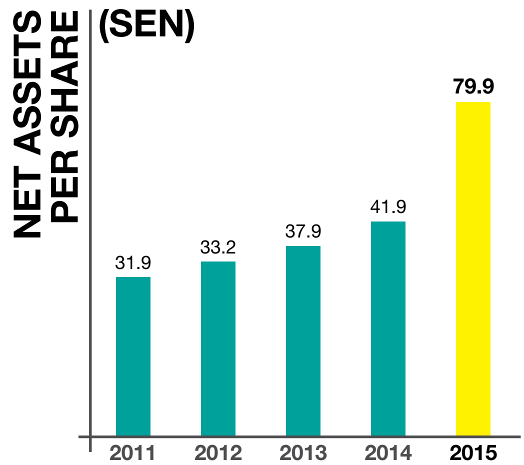
5 YEAR GROUP FINANCIAL HIGHLIGHTS

	Financial Years Ended 31 March				
	2011	**2012**	**2013**	**2014**	**2015**
Shareholders' Equity (RM'000)	310,726	323,751	369,195	409,121	791,672
Return on Equity (%)	3.6	4.8	12.2	10.0	47.6
Net Debt (RM'000) (Note 36, Page 146)	109,961	139,489	334,011	329,372	479,193
Gearing Ratio (%) (Note 36, Page 146)	26	30	49	45	38









5 YEAR GROUP FINANCIAL HIGHLIGHTS

	Financial Years Ended 31 March				
	2011	**2012**	**2013**	**2014**	**2015**
Revenue (RM'000)	36,453	88,610	103,238	284,191	230,269
Net Profit Attributable to Equity Holders (RM'000)	11,285	15,702	45,093	40,833	376,591
Basic Earning Per Share (Sen)	1.2	1.6	4.6	4.2	38.0
Net Assets Per Share (Sen)	31.9	33.2	37.9	41.9	79.9

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Asian Pac Holdings Berhad, I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2015.

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas (Chairman)

PERFORMANCE REVIEW

For the financial year ended 31 March 2015, the Group recorded a lower turnover of RM230.3 million, declining by 23% from the previous financial year of RM284.2 million. However, there was a slight increase in gross margin from 25% to 25.8% due to some value engineering carried out in the current financial year.

The decline in revenue was mainly from the property development division which contributed 97.7% of the Group's revenue due to two factors. One, lower percentage of development work recognised for KK Times Square 2 ("KKTS 2") – The Loft in Kota Kinabalu, Sabah and Dataran Larkin 1 in Johor which are nearing completion; and two, lower sales achieved in the current financial year and the postponed launching of a new project, Damansara Damai. This had resulted in the revenue recognised for the property development division to drop from RM280 million to RM225 million.

Group's Profit Before Tax

RM528.8 million

The Group's profit before tax increased by 1,118% to RM528.8 million from RM43.4 million in the previous financial year. The increase was mainly attributed to the fair value gain on investment properties of RM519.4 million due to the change in the Group's accounting policy for investment properties from the cost model to fair value model. The adoption of fair value model accounting policy will better reflect the true value of the Group's assets such as Imago Mall @ KKTS 2 and improve the Group's net assets and gearing positions. Furthermore, the change adopted will position the Group in a better footing to carry out capital raising and embark on acquisition of land banks or joint ventures for future expansion.

In the current financial year, the Group's operating expenses increased by RM17.7 million from RM30.9 million to RM48.6 million. This increase was mainly attributed to the increase in staff costs of RM7.8 million due to additional business segment in the form of Mall and Car Park operations and ESOS option cost, Imago Mall pre-operating expenses of RM4.8 million and provision for liquidated damages of RM4.9 million for KKTS 2 project as a result of shortage of skilled workers and construction materials in Sabah.

OPERATIONAL REVIEW

PROPERTY DEVELOPMENT

Property development is the Group's core business since Year 2004 after the disposal of the Group's stock broking and insurance businesses. Our property development operations are predominantly in the Klang Valley, Kota Kinabalu and Johor Bahru, and offering a variety of products which range from terrace, semi-d and bungalow houses, shop lots and factories to high rise condominiums. In addition, we have also developed a mixed and integrated development which comprises retail mall, serviced residences and signature offices, our flagship project in Kota Kinabalu, Sabah, known as KK Times Square. The Group also plans to broaden our property development scope to include an integrated township development in the future.

Currently, the Group has approximately 541 acres land banks in Klang Valley and Negeri Sembilan, another approximately 10 acres land in pre-development stage and balance 23 acres land in the midst and final development stages.

The on-going projects are:

THE LOFT RESIDENCE @ KK TIMES SQUARE II, KOTA KINABALU ("LOFT RESIDENCE")

The Loft Residence comprises 5 blocks of 631 units of contemporary luxury condominiums on a 15-acre strategically located site in Kota Kinabalu, Sabah. Blocks A & B of the Loft Residence which has a Gross Development Value ("GDV") of RM187 million were fully sold and vacant possession was handed over to the purchasers on 24 September 2014.

As at 31 March 2015, we have achieved 83% sales for Blocks C to E with a total GDV of RM413 million amid the cooling measures for property financing implemented by our Central Bank to curb speculative activities and further growth to household debt. The loan rejections over sales for Loft Residence for the current financial year had reached a record high level of 49%.

Moving forward, the margin for this project will be slightly squeezed due to higher construction and labour costs for the balance of the construction works and the Goods and Service Tax ("GST") associated with these works. We expect Blocks C to E to be completed and handed over to the purchasers by the 3rd quarter of 2015.

In the current financial year, The Loft Residence was the major contributor to the property development division, contributing RM137.5 million or 61% of the property development division's revenue.

CHAIRMAN'S STATEMENT

DATARAN LARKIN @ JOHOR BAHRU

Dataran Larkin is a 2-phase development of shop-office on a 11.68-acre freehold land in Larkin, Johor Bahru. The 1st phase consists of 79 units of 2 and 3-storey shop-office with a GDV of approximately RM110 million was completed and vacant possession handed over to the purchasers on 12 March 2015. We have achieved a take-up rate of 91% to date.

Phase 2 of Dataran Larkin which consists of 30 units of 3-storey premium boutique and showroom commercial suites and was launched in the 4th quarter of 2014. The work-in-progress is currently at 13% and we expect this project to be completed by 3rd quarter of 2016.

FORTUNE PERDANA @ LAKESIDE, KUALA LUMPUR

Fortune Perdana is a development project on a 6-acre leasehold land located in Kepong Entrepreneurs' Park. This mixed development project consists of 36 units of shop-office and 3 blocks of 576 units of serviced residence overlooking the Kuala Lumpur Metropolitan Park with a GDV of approximately RM380 million. The sales take-up rate is 99% to date.

In the current financial year, Fortune Perdana contributed RM51.1 million, representing 22.7% of the property development division's revenue. To date, the construction works has reached approximately 28% and the project is expected to be completed by the 1st quarter of 2017.

DAMANSARA 8 @ DAMANSARA DAMAI

Damansara 8 is the Group's latest project to be undertaken on a 6.5-acre leasehold land in Damansara Damai. The proposed development was revised from 2-blocks of 605 units of condominium and 15 units of shot lot with GDV of approximately RM240 million to 2-blocks of 520 units of condominium and 13 units of shop lot with targeted GDV of RM329 million.

The Group has engaged the stakeholders of Damansara Damai project and is in the process of upgrading the existing access roads together with two other developers to provide better accessibility for the surrounding communities including additional access route to Sri Damansara.

We expect the stringent financing requirements imposed by the banks, impacts of the GST on material and labour costs and recent weakening of our currency to pose a challenge to sales of the project. In preparing for the launch, much efforts have been made to fine-tune the product to better attract the discerning purchasers. Nonetheless, we will assess the current uncertainties in the market cautiously prior to launching of this project.

PROPERTY INVESTMENT

In the current financial year, the Group has completed the developments for its first non-strata lease-only shopping mall which opened to great reception from the public on 28 March 2015. Located within the new Kota Kinabalu Central Business District, the Imago Mall is strongly positioned to be the most sought-after piece of prime retail real estate in Kota Kinabalu.

We aim to strengthen our property investment portfolio to generate a stable recurring income for the Group's operation. As such, every aspect of Imago Mall had been meticulously and professionally designed to ensure that the mall meets a high standard expected of a prime retail centre as it is a symbol of the Group's vision.

In the current financial year, the Group has adopted the fair value model for its investment properties and recognised a fair value gain of RM519.4 million for all its investment properties including, Imago Mall. This exercise has unleashed the net assets value of the Group to RM791.7 million or RM0.80 per ordinary share which is four (4) times the par value of RM0.20 per ordinary share.

CHAIRMAN'S STATEMENT

IMAGO MALL @ KK TIMES SQUARE 2 ("KKTS 2")

Nestled in the heart of KK Times Square, Imago Mall is the epitome of world-class prime and quality mall in Kota Kinabalu and was officiated by the Deputy Chief Minister of Sabah, YB Datuk Raymond Tan Shu Kiah on 28 March 2015. Imago Mall is the one and only non-strata lease-only shopping mall in Sabah, sprawled over net lettable area of 800,000 square feet of podium retail space with more than 300 retail outlets.

Imago Mall is managed in-house by the Property Investment Division to better control and manage the tenant mix, facilities and amenities of the Mall. We are committed to continue to bring in quality and the right tenants to elevate the positioning and value of the mall.

The retail market in Kota Kinabalu is currently ranked third in Malaysia after Klang Valley and Penang, thereby illustrating the strong retail spending from both locals and tourists in the location. Imago Mall ride on this strong retail environment and brought in more than 33 international brands to Kota Kinabalu, some of them for the very first time in Sabah.

Imago Mall is now 85% tenanted in terms of lettable space. With the great start to the opening of the mall, occupancy is expected to continue to rise with several major brands having committed and several unique zones in the mall earmarked for opening soon.

We expect that Property Investment Division will be an essential component of the Group's operation, generating steady recurring rental income commencing from financial year ending 31 March 2016.

CAR PARK OPERATION @ KKTS 1 & 2 AND KARAMUNSING CAPITAL

The car park operation continues to register positive growth with an increase of 9.1% in revenue from RM2.97 million to RM3.24 million in the current financial year, while the profit before tax increased by 21% from RM1.26 million to RM1.53 million.

With the completion of KKTS 2 project, 2,500 car park bays will be added to the Group's existing stock of 1,323 car park bays. We expect the initial contribution from the KKTS 2 car park to be negligible due to efforts to promote and attract higher footfall to the Imago Mall with free parking. Going forward, we expect the car operation to be a material contributor to the Group's performance.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As part of our CSR activities, the Group has built a six lane bridge with the cooperation of Unit Kerjasama Awam Swasta ("UKAS") at KKTS 2, Kota Kinabalu, Sabah. The bridge was officially opened by Datuk Bandar of Kota Kinabalu Y'Bhg Datuk Abidin Madingkir on 20 March 2015. The bridge will connect the traffic to Jalan Tun Fuad Stephens in the city's downtown.

The bridge is a monumental structure which will go a long way in alleviating traffic in the city and towards building cohesive communities in Kota Kinabalu. KKTS 2 bridge is designed with a three lane dual carriage including a pedestrian walkway and bicycle track, which is part of the Tanjung Aru to University Malaysia Sabah Cycleway Project. The bridge is a reflection of the our commitment in elevating the development in Kota Kinabalu by helping to create a thriving connected city.

We support activities for the betterment of our communities in the form of contributions to approved charity and welfare organisations such as Majlis Sukan Negeri Sabah, Alzheimer's Disease Foundation Malaysia and Persatuan Ibu Bapa dan Guru Sekolah Kebangsaan Seksyen 13.

We continue to invest in our human capital by providing Continuous Professional Development (CPD) Programme for the employees to improve on professionalism, knowledge and keeping abreast with the latest development in the employees' respective discipline. We are also putting into place training programme across the organisation.

In the current financial year, the Company further granted 7,300,000 Employees Share Option Scheme ("ESOS") to all eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company as reward for their contribution, dedication and hard work. This brings the total of ESOS granted and accepted to date amounted to 59,375,000.

In addition, the Group's Sport Club had organised a team building event for the purpose of encouraging interaction and forging better understanding amongst colleagues. Gatherings were also organised during festive celebrations to strengthen unity, improve cohesiveness and better understanding in the diverse and rich cultures in the Group.

In June 2015, the Sport Club organised a fund raising exercise for donation made to SMK Kundansang Ranau and Pejabat Pendidikan Daerah Ranau, the centres in-charge of distributing aids to the earthquake victims in Ranau District, Sabah.

The Sport Club also organised a trip to visit the Persatuan Kebajikan Kanak-kanak Istimewa Insan on 16 August 2015. On top of the donation for the essential daily items, we also participated in activities such as singing sessions, handicraft making and colouring session with the special kids.

CHAIRMAN'S STATEMENT

LOOKING AHEAD

With the forecasts of a slower growth of 4.5% to 5.5% in 2015 as compared to 6% in 2014 for the Malaysia Economy, we believe the economic fundamentals in Malaysia are still sound with the domestic consumption being the driving force of growth. This is reflected in the growth rate of 4.9% for the 2nd quarter of 2015 as announced by Central Bank on 14 August 2015. However, the events leading to the drop in the value of our currency, the lowest in the last 17 years, has affected consumer and business confidence. The rising cost of raw materials from imports, in addition to GST, has affected the purchasing power of the consumers. With overall market sentiments indicating unfavourable conditions with inflation on the rise, consumers are taking a very cautious stand during these risky, volatile and uncertain times.

We expect the business conditions for financial year ending 31 March 2016 to be a challenging year. However, we believe our unbilled property sales of RM352 million and balance of units to be sold with the value of RM141 million will enable us to deliver a favourable performance. As we have successfully diversified our business away from complete reliance on property development to include property investment, the steady recurring rental income from Imago Mall and the Car Park operations will provide positive contribution to the Group's results in the coming financial year.

DIVIDEND

The Board of Directors is pleased to recommend for shareholders' approval at the forthcoming Annual General Meeting a first and final single tier dividend of 0.3 sen per share in respect of the financial year ended 31 March 2015. This proposal represents an increase of 50% over the dividend paid for financial year ended 31 March 2014 of 0.2 sen per share.

APPRECIATION

On behalf of the Board of Directors, I would like to take this opportunity to express my sincere gratitude to our loyal shareholders, business partners, including bankers and financiers, purchasers, contractors, suppliers and all government authorities, for the commitment, support and trust in the Group.

I would also like to thank Management and team for the utmost dedication, commitment and contribution in bringing the Group forward. I believe that the successful opening of the Imago Mall in Kota Kinabalu is a sign of greater achievements to come.

My gratitude also goes to my fellow directors for lending their experience, wise counsel and guidance to the Group throughout the year.

Tan Sri Dato' Seri Hj Megat Najmuddin
Bin Datuk Seri Dr Hj Megat Khas
(Chairman)
28 August 2015

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
Chairman/Independent
Non-Executive Director

Dato' Mustapha Bin Buang
Managing Director

Dato' Mohamed Salleh Bin Bajuri
Independent
Non-Executive Director

Ms Tan Siew Poh
Non-Independent
Non-Executive Director

Dr Yu Tat Loong
Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
Chairman

Dato' Mohamed Salleh Bin Bajuri

Ms Tan Siew Poh

REMUNERATION COMMITTEE

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
Chairman

Dato' Mustapha Bin Buang

Dato' Mohamed Salleh Bin Bajuri

NOMINATION COMMITTEE

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
(Chairman)

Dato' Mohamed Salleh Bin Bajuri

Ms Tan Siew Poh

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

Dato' Mustapha Bin Buang
(Chairman)

Mr Wong Yee Kean

Ms Liew Yin Yee

Ms Gina Teoh Siok Chin

Ms Chan Yoon Mun

SECRETARIES

Ms Chan Yoon Mun, ACIS
(MAICSA 0927219)

Ms Ooi Mei Ying, ACIS
(MAICSA 7051036)

REGISTERED OFFICE

12th Floor, Menara SMI
No. 6, Lorong P. Ramlee
50250 Kuala Lumpur
Tel No: 03-2786 3388
Fax No: 03-2786 3386
Website: www.asianpac.com.my

SHARE REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel No : 03-2264 3883
Fax No : 03-2282 1886

AUDITORS

Ernst & Young
Level 23A, Menara Milenium
Jalan Damanlela, Pusat Bandar
Damansara
50490 Kuala Lumpur

PRINCIPAL BANKERS

Malaysia Building Society Berhad
Alliance Bank Malaysia Berhad
United Overseas Bank (Malaysia) Berhad
Kuwait Finance House (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

DIRECTORS' PROFILE

TAN SRI DATO' SERI HJ MEGAT NAJMUDDIN BIN DATUK SERI DR HJ MEGAT KHAS
MALAYSIAN, AGED 71

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas was appointed as a Non-Executive Director and Chairman of the Company on 19 October 1994. He is an Independent Director and serves as the Chairman of the Audit and Risk Management, Nomination and Remuneration Committees of the Company.

He holds an Honours Degree in Law from the University of Singapore. He was a lawyer by profession and practiced for 14 years until 1986 when he went into full time politics. He was formerly the State Assemblyman of Kelana Jaya, Selangor for two terms (1986 – 1990 and 1990 – 1995).

He was appointed Executive Committee Member of the Federation of Public Listed Companies Berhad (FPLC) in August 1994 and elected President in October 1997. He represents this organization to the High Finance Committee of the Ministry of Finance. Further, he was also one of the first members of the Management Committee of the Malaysian Institute of Corporate Governance (MICG), and was elected President in April 1998. In addition, he was appointed as a member of the National Economic Consultative Council 2 (NECC 2) by the then Prime Minister, where he was involved in the Human Resource Development Committee. In September 1999, he was appointed to the Capital Market Strategic Committee by the then Finance Minister and in August 2001, he was appointed as a member of the Corporate Debt Restructuring Committee (CDRC) of Bank Negara. He now sits on UMNO Malaysia's Disciplinary Committee and is an Adjunct Professor at Faculty of Law, University Utara Malaysia.

Tan Sri Dato' Seri Hj Megat Najmuddin also holds directorships in SEG International Bhd (Chairman), Omesti Berhad [formerly known as Formis Resources Berhad] (Chairman), MajuPerak Holdings Berhad (Chairman), Tradewinds Corporation Berhad and Petroliam Nasional Berhad (PETRONAS).

Tan Sri Dato' Seri Hj Megat Najmuddin attended all the 5 board meetings which were held in the financial year ended 31 March 2015.

He does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He does not have any convictions for offences within the past ten (10) years.

DATO' MUSTAPHA BIN BUANG
MALAYSIAN, AGED 67

Dato' Mustapha Bin Buang is the Managing Director of the Company. He first joined the Board as a Non-Executive Director on 14 October 1994. He is a member of the Remuneration Committee and the Chairman of the Employees' Share Option Scheme Committee.

He holds a degree in Economics from University Malaya. After graduation in 1972, he joined the Johore State Government as an Economic Planner. He then joined the finance industry from the year 1974 holding senior management position and gathered 16 years experiences in the finance sector. Besides he holds directorships in several private limited companies, he was Deputy President of Tan Sri Muhyiddin Charity Golf since 2006 until 2013. Presently he sits as Committee Member of Board of Trustee of Tan Sri Muhyiddin Charity Golf Foundation since 2010 and also sits as Trustee/Board of Yayasan Nurul Yaqeen since January 2005.

Dato' Mustapha attended all the 5 board meetings which were held in the financial year ended 31 March 2015.

Dato' Mustapha does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He does not have any convictions for offences within the past ten (10) years.

DATO' MOHAMED SALLEH BIN BAJURI
MALAYSIAN, AGED 64

Dato' Mohamed Salleh Bin Bajuri was appointed as an Independent Non-Executive Director of the Company on 27 March 2001. He is also a member of the Audit and Risk Management, Nomination and Remuneration Committees of the Company.

He obtained his Chartered Accountant qualification from the Institute of Chartered Accountants, Ireland in 1978.

He began his career in Malaysia in 1978 with Peat Marwick & Co. as Senior Audit. In 1979, he joined Mayban Finance Berhad as Manager and was later promoted to General Manager in 1982. He was then promoted to General Manager of Malayan Banking Berhad in 1988 and worked in this position until 1992. Upon resigning from Maybank in 1992, he was appointed as Managing Director of JB Securities Sdn Bhd, a stockbroking firm which he was a founder member. After disposing of his equity stake in the said stockbroking firm in 1995, he joined a property development and property management company - CRSC Holdings Berhad as an Executive Director. Presently, he holds the position of Deputy Chairman of CRSC Group of Companies.

In the past, Dato' Salleh had served the society/body as follows:

- Alternate Chairman of the Association of Finance Companies in Malaysia (AFCM) from 1982 to 1987;
- Chairman of the AFCM Committees for Education and Public Relations from 1982 to 1987;
- Director of Saham Sabah Berhad from 1997 to 1999;
- Trustee for Tabung Anak-Anak Melayu Pontian from 1995 to 2006;
- Yayasan Kebajikan SDARA from 1997 to 2002; and
- Chairman of Agro Bank Malaysia (formerly known as Bank Pertanian Malaysia Berhad) from 2008 until June 2010.

Currently, he is a member of the Board of Trustee and Treasurer for Tan Sri Muhyiddin Charity Golf Foundation. And he is also a Director of Eden Inc. Berhad, Harbour Link Group Berhad, SAM Engineering & Equipment (M) Bhd and Milux Corporation Bhd, all public companies listed on Bursa Malaysia Securities Berhad.

Dato' Salleh attended all the 5 board meetings which were held in the financial year ended 31 March 2015.

Dato' Salleh does not have any family relationship with any Director and/or major shareholder of the Company and there is no business arrangement with the Company in which he has a personal interest. He does not have any convictions for offences within the past ten (10) years.

DIRECTORS' PROFILE

TAN SIEW POH
MALAYSIAN, AGED 52

Ms Tan Siew Poh was appointed to the Board of the Company as Non-Independent and Non-Executive Director on 18 March 2008. She is also a member of the Audit and Risk Management Committee and Nomination Committee of the Company.

Ms Tan graduated from the University of Melbourne, Australia with a Bachelor of Commerce majoring in Accounting and Economics and is a Certified Practising Accountant. She is a member of the CPA Australia and Malaysia Institute of Accountants. Ms Tan commenced her career with Prudential Assurance Berhad for about three years in the Investment Division before moving on to join the Corporate Finance Division in Asian International Merchant Bankers Berhad in 1990. Ms Tan then joined Rashid Hussein Securities Sdn Bhd in 1993 and last held the position of Assistant General Manager of Corporate Finance, before moving on to oversee the Corporate Planning Division of the group in 1996. Presently, she is also a director of South Malaysia Industries Berhad.

Ms Tan attended all the 5 board meetings which were held in the financial year ended 31 March 2015.

Ms Tan does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement with the Company in which she has a personal interest. She does not have any conviction for offences within the past ten (10) years.

DR YU TAT LOONG
MALAYSIAN, AGED 39

Dr Yu Tat Loong was appointed to the Board of the Company as Executive Director on 28 May 2013.

Dr Yu first graduated with a B.Eng in Civil Engineering from the University of Bath, UK, before proceeding directly to obtain his Ph.D from University of Cardiff with his research on aerospace structures and optimisation algorithms. He is a member of The Royal Institution of Chartered Surveyors (MRICS) and has over 10 years of professional experience in real estate development and management projects in countries like China and Malaysia.

He possesses vast experience in design, planning and construction of real estate as well as overall management from leasing to marketing, property management to engineering maintenance of retail, office and hospitality with total assets value worth more than USD600 million.

Dr Yu attended four (4) out of five (5) board meetings which were held in the financial year ended 31 March 2015.

He does not have any family relationship with any Director and/or major shareholder of the Company, nor any conflict of interest in any business arrangement with the Company in which he has a personal interest. He does not have any conviction for offences within the past ten (10) years.

CORPORATE GOVERNANCE STATEMENT

The Malaysian Code on Corporate Governance 2012 ("the Code") sets out the broad principles and specific recommendations on structure and processes that companies should or are encouraged to adopt in making good corporate governance an integral part of their business dealings and culture.

The Board of Directors believes that good corporate governance is the key to the improved long-term performance of the Group and that a sound governance structure is fundamental to safeguard the interests of all its stakeholders.

The Board is pleased to report on the manner the Group has applied the principles and the extent of the compliance with the recommendations of the Code throughout the financial year ended 31 March 2015.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Clear functions of the Board and Management

The Group acknowledges the pivotal role played by the Board of Directors in the stewardships of its directions and operations. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for Management and monitoring the achievement of these goals.

Board Responsibilities

The Board's main duties include regular oversight of the Group's business operations and financial performance, ensure that the infrastructure, internal controls and risk management processes are firmly in place, assess and manage business risks, inter-alia, operational, credit, market and liquidity risks. The Board is also to approve annual operating budget, major capital expenditures, material acquisitions and disposal of assets.

Access to information and advice

The Directors are provided with timely and relevant information to discharge their duties and responsibilities, which include, amongst other, quarterly and annual financial statements, board papers recommending business and operational decisions, corporate and business development plans, status reports, minutes of meetings and reports/opinions from independent advisors.

All Directors have access to the information from the Group's senior management and the Company Secretaries' advices and services. If required, the Directors, whether as a full Board or in their individual capacity may take independent professional advice in the furtherance of their duties at the Company's expense.

Gender Diversity Policy

Corporate Governance Blueprint 2011 stated that the Board should ensure women participation on board to reach 30% by 2016. Currently, the Board has reached 20% of women participation on board.

The Board does not have a policy on boardroom diversity, including gender diversity. The Company will provide equal opportunity to candidates with merit. Nonetheless, the Board will give consideration to the gender diversity objectives.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 2 : STRENGTHEN COMPOSITION

The Board has delegated specific responsibilities to Audit and Risk Management Committee, Nomination Committee, Remuneration Committee and Employees' Share Option Scheme Committee to assist in the discharge of its duties and responsibilities. Each of the Committees operates under clearly defined terms of reference and the Chairman of the respective Committees reports to the Board on the outcome of the Committee Meetings. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board:

- **Audit and Risk Management Committee**

  The Composition and Terms of Reference of the Audit and Risk Management Committee together with its report is presented from pages 35 to 39.

- **Nomination Committee**

  The Nomination Committee comprises exclusively Non-Executive Directors in accordance with the Code. The composition is detailed in the Corporate Information.

  The Nomination Committee's primarily duties are:

  (i) Annually conduct an evaluation on the performance and contributions of the individual directors, the Board as a whole and the respective Board Committee notably the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee.

  (ii) Annually assess the effectiveness of the Board as a whole, the committees of the Board and the contributions of each Director.

  (iii) Annually review the required mix of skills, experiences and other qualities including core competencies.

  (iv) Annually assess the tenure of an Independent Director who has served the Board more than nine (9) years should the Board wish to retain him as an Independent Director; consider justification and make recommendations on the element of independence of an Independent Director.

  (v) Annually review the size and composition of the Board and recommend the retiring director for re-election at the forthcoming Annual General Meeting.

  (vi) Assess and make recommendations on any new appointments to the Board for deliberation. In making these recommendations, due consideration is given in the required mix of skills, expertise, knowledge and experience that the proposed directors shall bring to complement the Board.

  During the financial under review, one (1) meeting was held with all members attended. The Nomination Committee had carried out its duties as mentioned above, inter alia, these include:

  - Review and assess the effectiveness of the Board as a whole and the Board Committees;
  - Review and assess the mix of skills, experience and competencies of each individual directors;
  - Review and recommend to the Board, the re-election and/or re-appointment of the Directors who will be retiring at the forthcoming Annual General Meeting; and
  - Review and recommend to the Board, the retention of the Independent Non-Executive Directors in accordance with the Code.

  The Board was satisfied with the current mix of skills and experience of its members that sufficient for the effective discharge of its duties and responsibilities.

- **Remuneration Committee**

  The Remuneration Committee consists of two (2) Independent Non-Executive Directors and one (1) Executive Director and its members are listed on Corporate Information.

  The Remuneration Committee reviews the annual salaries, incentive programmes, service arrangements and other employment conditions for the Executive Directors. They shall ensure that the Company's Directors are fairly rewarded for their individual contributions to the Company's overall performance and the levels of remuneration shall be sufficient to attract and retain Directors to run the Company and Group successfully.

  During the financial year, the remuneration package for the Managing Director and Executive Director were recommended by the Remuneration Committee and approved by the Board with the individual director affected not involved in the approval of their own packages; whilst the directors' fees are recommended by the Board for shareholders' approval at the Annual General Meeting.

  The details of the remuneration of the Directors of the Company for the financial year ended 31 March 2015 are disclosed under Note 23 on page 129 of this Report.

- **Employees' Share Option Scheme Committee**

  The Employees' Share Option Scheme Committee ("ESOS Committee") comprised one (1) Executive Director and four (4) members, of which two (2) from Finance Department, one (1) from Human Resource, IT & Administration Department and one (1) Company Secretarial Department. The composition is detailed in the Corporate Information.

  The ESOS Committee is primarily to administer the Employees' Share Option Scheme in accordance with the scheme's objectives, By-Laws and guidelines affecting the scheme. The ESOS Committee meets as and when required.

  During the financial review, one (1) meeting was held to review and discuss the allocation of option to the eligible employees.

Develop, maintain and review criteria for recruitment
The appointment of any additional director was made as and when deemed necessary by the existing Board with due consideration given to the mix of expertise and experience required for an effective Board. The Nomination Committee is responsible for making recommendations for any appointment to the Board for assessment and endorsement.

New Director is subject to election at the Annual General Meeting after his/her appointment in accordance with the Company's Articles of Association. In addition, the Articles of Association of the Company also provide that at every annual general meeting of the Company, one-third of Directors for the time being shall retire from office and shall be eligle for re-election. The Articles further provide that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. Directors over seventy years are required to submit themselves for re-appointment annually in accordance with section 129(6) of the Companies Act 1965.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 3: REINFORCE INDEPENDENCE

Board Assessment of its Independence Directors

The assessment of the independence of each of its Independent Directors is undertaking annually according to the criteria as prescribed under the Listing Requirements. The Board had assessed and concluded that all the Independent Directors of the Company continue to demonstrate conduct and behavior that are essential indicators of independence, and that each of them is independent of the Company's management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company.

Tenure of Independent Directors

The Board recognizes that an individual's independence should not be determined solely based on the tenure of service and is of the view that continued tenure of directorship brings considerable stability to the Board, and the Company benefits from directors who have, over time, gained valuable insight into the Company and its subsidiaries. The ability and effectiveness of an independent director is dependent on his calibre, qualification, experience, integrity and objectivity in discharging his responsibilities in good faith in the best interest of the Company and to safeguard the interests of the shareholders of the Company.

Accordingly, in the decision to retain the Independent Non-Executive Directors in addition to various matters taken into consideration, the Board also seeks to strike an appropriate balance between the tenure of service and continuity of experience.

The Code recommended that the tenure of Independent Director should not exceed nine (9) years cumulatively and upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to re-designation as a Non-Independent Director.

To be in line with the above recommendation, the Company has decided to seek shareholders' approval to retain both Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas and Dato' Mohamed Salleh Bin Bajuri who have served the Board for more than nine (9) years to continue to be Independent Non-Executive Directors.

The Company had obtained shareholders' approval at last AGM to retain Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas and Dato' Mohamed Salleh Bin Bajuri as Independent Non-Executive Director of the Company. The Company shall seek for shareholders' approval again at the forthcoming 97th AGM to retain them as Independent Non-Executive Directors of the Company following an assessment by the Nomination Committee and recommendation by the Board based on the following justifications:

(i) They continue to fulfill the criteria and definition of an Independent Director as set out under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and

(ii) They have vast experience gained at senior management level in their past career. Their financial management, accounting, property and legal background have provided support to enable the Board to discharge its duties effectively and in competent manner.

Separation of position of the Chairman and Managing Director and Executive Director

There is a clear division of responsibility between the Chairman and Managing Director and Executive Director to ensure there is balance of power and authority. The Chairman is responsible for the leadership and governance of the Board, ensuring its effectiveness, orderly conduct and working of the Board whilst the Managing Director and Executive Director is/are overall responsible for the day-to-day management of the Group's operations and business as well as implementation of Board policies and decisions.

Board Composition and Balance

The Board presently consists of five (5) members; comprising a Managing Director, an Executive Director, two (2) Independent Non-Executive Directors and a Non-Independent Non-Executive Director. The current Board fulfills the prescribed requirements for one-third (1/3) of the membership of the Board to be Independent Board Members. Collectively, the Board is helmed by effective and experienced directors comprising individuals of caliber and credibility from diverse professional backgrounds with a wealth of experience, skills and expertise. The Directors together with a team set the values and standards of the Company and ensure that the Group's business is properly managed to safeguard the Group's assets and shareholders' investment. A brief profile of each Director is presented from pages 22 to 25 of this Annual Report.

The current composition is well balanced and caters effectively to the scope and the Group's operations. The Managing Director and Executive Director have the overall responsibility to oversee the operations and affairs of the Group, providing leadership, strategic vision and meeting immediate performance targets without neglecting long-term growth opportunities of the Group; whilst the role of Independent Non-Executive Directors are bringing independent judgement and ensuring all issues proposed by the Management are fully discussed and examined to take into account the long term interests, to the shareholders as well as the stakeholders such as the employees, customers and business associates.

PRINCIPLE 4: FOSTER COMMITMENT

Time Commitment

The Board meets once every quarter to review the Group's annual and quarterly financial reports and performance, approving strategic business plans, operational and development of the Group. Additional meetings will be held as and when the need arises.

The Board and Board Committee meetings are planned in advance prior to the commencement of a new year and the schedule is circulated to the Directors and Committee members well in advance to enable them to plan ahead. Board members are given at least seven (7) days' notice before any Board meeting is held. The agenda for each board meeting and documents relating to the matters to be deliberated at the meeting are forwarded to all Directors for perusal prior to the date of the Board meeting. The Board papers are comprehensive covering agenda items to facilitate informed decision making and notation. In between Board meetings, approvals on matters requiring the sanction of the Board are sought by way of circular resolutions enclosing all relevant information to enable the Board to make informed decisions. All circular resolutions approved by the Board of the Company and its subsidiaries will be tabled for notation at the next Board meeting.

During the financial year ended 31 March 2015, a total of five (5) Board meetings were held. The attendances of the Directors at Board Meetings held during the financial year are as follows:-

Name of Directors	Number of Meetings Attended/ Held	Percentage (%) of attendance
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	5/5	100%
Dato' Mustapha Bin Buang	5/5	100%
Dato' Mohamed Salleh Bin Bajuri	5/5	100%
Tan Siew Poh	5/5	100%
Dr Yu Tat Loong	4/5	80%

CORPORATE GOVERNANCE STATEMENT

The Directors are required to update on their other directorship and shareholdings in public listed companies to the Company Secretary. Such update is used to monitor the number of directorship held by the Directors, where each member of the Board must not hold more than five (5) directorships in public listed companies. This is in compliance with the Bursa Malaysia Listing Requirements which states that directors should not sit on the boards for more than five listed companies to ensure their commitment, resources and time are more focus and enable them to discharge their duties effectively.

Directors' Training

The Board acknowledges the importance of continuous education and training in order to broaden one's perspective and to keep abreast with the current and future developments in the industry and global markets, regulatory updates as well as management strategies to enhance the Board's skills and knowledge in discharging their duties. All members of the Board have attended Mandatory Accreditation Program prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities").

The Directors are encouraged to attend various external professional programmes which they individually considered as relevant and useful to further enhance their business acumen and professionalism in discharging their stewardship responsibilities.

The Company Secretary keeps Directors informed of relevant external training programmes and all of the Directors have undergone training during the financial year. All external training programmes attended by Directors are recorded and maintained by the Company Secretary. The training programmes attended by the Directors during the financial year ended 31 March 2015 are as follows:

Name of Director	Title	Organizer	Date
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	Director's Duties & Governance Update 2014 Conference	Malaysian Institute of Corporate Governance ("MICG")	22 April 2014
	"Creating Value from Risk Management" on PETRONAS Risk Open Day	Petronas	10 June 2014
	To address Asian Metropolitan City Summit	Asian World Summit	16 June 2014
	To address Urban Public Transportation 2014 Seminar	Asian World Summit	17 June 2014
	4th Annual Information Security Summit	Asian World Summit	23 August 2014
	EO Forum "Malaysia: Surviving the Next Global Financial Crisis"	Perdana Leadership Foundation	24 August 2014
	MICG & FPLC's Annual ASEAN Corporation Governance Summit 2014	MICG & FPLC	1-2 September 2014
	Bursa's Board Chairman Series "The Role of the Board Chairman"	Bursa Exchange Square	6 November 2014
	The Power of Partnerships	Razak School of Government	11-12 December 2014
	4th Annual Procurement & Integrity Forum for Public & Private Sector	MICG	21 January 2015

Name of Director	Title	Organizer	Date
Dato' Mustapha Bin Buang	GST In-House Training		2 December 2014
Dato' Mohamed Salleh Bin Bajuri	Risk Management & Internal Control Workshops for Audit Committee Members	Bursa Malaysia Securities Berhad	3 June 2014
	Directors Breakfast Series "Great companies deserves great boards"	Bursa Malaysia Securities Berhad	10 October 2014
	Training for Directors on Enterprise Risk Management	SAM Engineering & Equipment (M) Berhad	4 November 2014
Tan Siew Poh	Annual Director Duties, Governance and Regulatory Updates Seminar 2014	MICG	22 April 2014
	National Seminar on Anti-Money Laundering and Anti-Terrorism Financing 2014	MICG	24 November 2014
	GST In-House Training		2 December 2014
Dr Yu Tat Loong	GST In-House Training		2 December 2014

PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING

Financial Reporting

The Directors have a responsibility to present a fair statement of the Group's financial position and prospect and ensure that the financial statements are drawn up in accordance with the provision of Companies Act, 1965 and applicable accounting standards in Malaysia. The Audit and Risk Management Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness. The Statement by Directors pursuant to Section 169(15) of the Companies Act 1965 is set out on page 50 of this Report.

In addition to the above, the Directors have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss and fraud.

Assessment of Suitability and Independence of External Auditors

The Audit and Risk Management Committee undertakes an annual assessment of the suitability and independence of the external auditors. It is the policy of the Audit and Risk Management Committee to meet with the external auditors at least twice a year to discuss their audit plan, audit findings and the Company's financial statements. At least one of these meetings is held without the presence of the Executive Directors and the Management. The Audit and Risk Management Committee also meets with external auditors additionally whenever it deems necessary.

In this regards, the Audit and Risk Management Committee has assessed the independence of Messrs. Ernst & Young as external auditors of the Company. Having satisfied with their performance, technical competency and fulfilment of criteria of independent, the Audit and Risk Management Committee had recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the forthcoming Annual General Meeting.

CORPORATE GOVERNANCE STATEMENT

PRINCIPLE 6: RECOGNISE AND MANAGE RISKS

The Board acknowledges their responsibilities for the internal control system of the Group, covering not only financial controls but also controls relating to operations, compliance and risk management. The Board, in fulfilling their responsibilities, had set up a Risk Management Working Committee with the assistance of Internal Auditor to review the risk profile. Information of the Group's internal control and risk management is presented in the Statement on Risk Management and Internal Control set out on pages 40 to 41 of this Report.

PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board acknowledges the need to inform shareholders of all material business matters affecting the Company. The Company committed to provide shareholders with timely and equal dissemination of material information in order to enhance the transparency and accountability.

The Company has established a website – www.asianpac.com.my for shareholders and the public to access the information, including the announcements made by the Company. The Company's website incorporates an Investor Relations section which provides comprehensive, accurate and timely information on the Company and is accessible by the public. This Investor Relations section enhances the Investor Relations function by including announcements made by the Company, annual reports as well as the quarterly financial results of the Company.

PRINCIPLE 8: STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Board is committed to provide shareholders and investors accurate, useful and timely information about the Company, its business and its activities. The Company has regularly communicated with shareholders and investors in conformity with the disclosure requirements.

The Company's annual general meeting remains the principal forum for dialogue and interaction with shareholders and provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's business and corporate development.

The Board has designated Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas as the Senior Independent Non-Executive Director to receive and deal with all shareholders'/public enquiries. Such enquiries must be made in writing and be directed to the Senior Independent Non-Executive Director as follows:-

Asian Pac Holdings Berhad
Senior Independent Non-Executive Director
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
12th Floor, Menara SMI
No. 6, Lorong P. Ramlee
50250 Kuala Lumpur
Tel No: 03-2786 3388
Fax No: 03-2786 3386

This statement is reviewed and approved by the Board of Directors' Meeting held on 29 July 2015.

ADDITIONAL COMPLIANCE INFORMATION

Share Buybacks
The Company did not make any share buybacks during the financial year.

Options, Warrants or Convertible Securities Exercised
Save as disclosed below under the Employees' Share Option Scheme, there were no warrants or convertible securities issued by the Company during the financial year.

During the financial year, 7,657,500 ESOS were granted to eligible employees. None of the 7,657,500 outstanding ESOS was exercised during the financial year.

Disclosure of ESOS information Pursuant to Appendix 9C, Part A (27) of Main Market Listing Requirements of Bursa Securities is as follows:

(a) Brief Details of the ESOS:

ESOS Movement	During the financial year
Total number of options granted on 19 March 2014	53,740,000
Total number of options granted on 21 October 2014	7,657,500
Total number of options exercised	15,711,200
Total number of options forfeited	2,572,750
Total options outstanding as at 31.03.2015	**48,259,050**

(b) ESOS granted to Directors and Chief Executive of the Company

ESOS Movement	During the financial year
Total number of options granted on 19 March 2014	9,097,500
Total number of options granted on 21 October 2014	3,500,000
Total number of options exercised	Nil
Total number of options forfeited	Nil
Total options outstanding as at 31.03.2015	**12,597,500**

(c) ESOS granted to Directors and Senior Management of the Group

	Since Commencement of the ESOS	During the financial year
Aggregate maximum allocation in percentage	50%	50%
Actual percentage granted	29.15%	45.71%

(d) No options were granted to the Non-Executive Directors of the Company during the financial year.

ADDITIONAL COMPLIANCE INFORMATION

Depository Receipt Programme
The Company did not sponsor any Depository Receipt Programme during the financial year.

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.

Non-Audit Fee
There was a non-audit fee of RM7,000 paid to the External Auditors for reviewing the Statement on Risk Management and Internal Control for the financial year ended 31 March 2015.

Variation in Results
There were no variances of 10% or more between the audited results and the unaudited results announced for the financial year ended 31 March 2015.

Profit Guarantee
There were no profit guarantees given by the Company during the financial year.

Material Contracts Involving Directors' and Substantial Shareholders' Interest
The Company and its subsidiaries did not enter into any material contracts which involved the interests of the Directors or substantial shareholders during the financial year.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee during the financial year under review were:-

Chairman

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	- Independent Non-Executive Director

Members

Dato' Mohamed Salleh Bin Bajuri	- Independent Non-Executive Director
Ms Tan Siew Poh	- Non-Independent Non-Executive Director

TERMS OF REFERENCE

1) Composition of Audit and Risk Management Committee ("the Committee")

The Committee shall be appointed by the Directors from among its members which fulfils the following requirements:-

a) the Committee must be composed of no fewer than 3 members;

b) all of the Committee must be non-executive directors with a majority of them being independent directors;

c) no alternate director of the Board shall be appointed as member of the Committee; and

d) at least one member of the Committee:-
   (i) must be a member of the Malaysian Institute of Accountants; or
   (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:-
      (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
      (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
      (cc) fulfils such other requirements as prescribed or approved by the Exchange.

The Committee shall elect a chairman from among its members who shall be an independent director.

In the event that a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum of three (3) members.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

2) Meetings

The Committee shall meet at least four times a year.

The Chairman shall convene a meeting of the Committee if requested to do so by any member, the management or the internal or external auditors to consider any matter within the scope and responsibilities of the Committee.

3) Secretary to the Committee

The Company Secretary shall be the secretary of the Committee.

4) Quorum

A quorum shall consist of a majority of members who are independent directors.

5) Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is authorised 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.

6) Duties and Responsibilities

The duties and responsibilities of the Committee shall be:-

i) Financial Results

To review the quarterly financial statements announcements to Bursa Malaysia Securities Berhad and annual financial statements prior to approval by the Board, focusing on:-

- going concern assumption;
- compliance with accounting standards and regulatory requirements;
- any changes in accounting policies and practices;
- significant issues arising from the audit;
- significant and unusual events;
- major judgemental areas.

ii) External Auditors

To review with the external auditors on the following:-

- their audit plan;
- their evaluation of the system of internal controls;
- their audit report;
- problems and reservations arising from their interim and final audits;
- the assistance given by the employees of the Company and the Group to the external auditors; and
- the audit fees and on matters concerning their suitability for nomination, appointment and re-appointment and the underlying reasons for resignation or dismissal as auditors.

iii) Internal Auditor

To review the internal audit functions on the following:-

- adequacy and relevance of the scope, functions, competency and resources of the internal audit department 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; and
- internal audit plan, consider the major findings of internal audit, fraud investigations and actions and steps taken by management in response to audit findings.

iv) Risk Management

To review with Risk Management Working Committee on the following:-

- Statement on Risk Management and Internal Control;
- Overall risk management system;
- Key risks and their management;
- Policies and framework to which the Group is exposed, especially in areas of risk concentration pertaining to the risk exposures that the subsidiaries are exposed to in their business activities, eg, strategic, operational, health & safety, regulatory and legal;
- Business strategies and plans from a risk-based and enterprise-wide perspective;
- Risk management responsibilities through identifying, measuring, managing, reporting and monitoring all categories of business risk across the Group.

v) Related Party Transactions

To monitor related party transactions and Recurrent Related Party Transactions and conflict of interest situation that may arise within the Company and Group including any transaction, procedure or course of conduct that raises questions of management integrity.

vi) Internal Control

To assess the adequacy and effectiveness of the systems of internal control and accounting control procedures of the Company and the Group by reviewing the external auditors' management letters and management response.

vii) Employees' Share Option Scheme ("ESOS")

To verify the allocation of options as being in compliance with the criteria for allocation pursuant to the By-Laws of ESOS.

viii) Others

- To undertake such other responsibilities as may be agreed to by the Committee and the Board.
- To report to the Board its activities, significant results and findings.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

ATTENDANCE OF MEETINGS

The Committee held five (5) meetings during the financial year. The following is the number of meetings attended by each member:-

Name of Committee members	Number of meetings attended
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	5/5
Dato' Mohamed Salleh Bin Bajuri	5/5
Ms Tan Siew Poh	5/5

The Executive Directors and Head of Finance Department were invited for each Audit and Risk Management Committee meetings. Other senior management would also be invited to attend whenever deemed necessary. The external auditors were invited to attend two (2) of these meetings where they raised areas of concern and matter related to audit. The external auditors also had a meeting with the Committee without the presence of the Executive Board Members and Management.

SUMMARY OF ACTIVITIES

Pursuant to the terms of reference of the Audit and Risk Management Committee, the following activities were carried out by the Committee during the financial year ended 31 March 2015 in discharge of its duties and responsibilities:-

i) Reviewed the internal audit charter and the adequacy and relevance of the scope, functions, resources, internal audit plan and results of the internal audit processes with the Internal Audit Department; and that it has the necessary authority to carry out its work.

ii) Reviewed with the external auditors, their audit plan (including system evaluations, audit fees, issues raised and management's responses) prior to the commencement of the annual audit;

iii) Reviewed the unaudited quarterly results and annual audited financial statements with the management and made recommendations thereon to the Board for approval;

iv) Reviewed the financial statements, the audit report, issues arising from audits and the management letter with the external auditors;

v) Reviewed the statement on risk management and internal control for publication in the Company's annual report;

vi) Reviewed the Internal Audit reports on finding and recommendations and management's response thereto to ensure adequate remedial actions have been taken; and

vii) Reviewed and verified the auditors' remuneration to ensure its adequateness and fairness.

viii) Verified the allocation of options and ensure that the options are in compliance with the allocation criteria determined by the ESOS Committee and in accordance with the By-Laws of the ESOS.

ix) Reviewed and monitored the related party transactions and recurrent related party transaction of the Group.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

STATEMENT ON SHARE ISSUANCE SCHEME BY THE COMMITTEE

The Committee has verified the allocation of options under the ESOS for the financial year ended 31 March 2015 and noted its compliance with the criteria for the allocation of options in accordance with the By-Laws of ESOS.

INTERNAL AUDIT FUNCTION/ACTIVITIES

The Internal Audit Department of the Group was established to assist the Board of Directors and the Audit and Risk Management Committee in discharging their duties and responsibilities. The Department undertakes its functions based on the annual internal audit plan that is reviewed and approved by the Audit and Risk Management Committee, and it is committed to provide independent assurance on effectiveness and adequacy of the system of internal control.

A risk-based approach is adopted to prioritize the Department's efforts to the critical business risk areas within the Group. These are designed to evaluate and enhance risk management, internal control and governance processes to assist management in achieving business objectives.

During the financial year, audit assignments were carried out in accordance with the annual internal audit plan approved by the Audit and Risk Management Committee. The resulting reports of the audit undertaken were presented to the Audit and Risk Management Committee and forwarded to the management for attention and necessary actions. The Internal Audit Department has set up a monitoring process to determine the extent to which its recommendation has been implemented and report to the Audit and Risk Management Committee on a quarterly basis.

The Company's internal audit function is performed in-house. The total internal audit costs incurred for internal audit function were RM147,945 (RM208,313 in FYE 2014) during the financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
FINANCIAL YEAR ENDED 31 MARCH 2015

INTRODUCTION

The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement outlining the nature and internal control of the Group during the financial year ended 31 March 2015. This statement has been prepared by taking into account the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines") and Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

BOARD RESPONSIBILITY

The Board is responsible for the Group's internal control and risk management system to safeguard shareholders' investment and the Group's assets as well as reviewing the adequacy and effectiveness of the said system. With the limitations inherent in any system of risk management and internal control, the system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business objectives. The system can therefore only provide reasonable, but not absolute assurance, against material misstatement, loss or fraud.

The Board confirms that there is an on-going process for identifying, evaluating and managing the significant risks it faces. This process has been in place for the financial year under review and up to the date of approval of this statement.

RISK MANAGEMENT

The Group has a structured risk management framework, a risk management assessment process to identify significant risks, and the mitigating measures thereof. The Board is assisted by the Audit and Risk Management Committee ("ARMC"), to implement the risk management policy on existing established structures and mechanism. The ARMC is responsible for providing reasonable assurance to the Board that the risks it faces are being effectively addressed with the assistance of Risk Management Working Committee ("RMWC"). The RMWC which comprises heads of business units is entrusted with the responsibility of ensuring that an appropriate risk management framework exists within the Group and effectively manages the key risks of the Group.

INTERNAL AUDIT FUNCTION

The ARMC evaluates the internal audit function to assess its effectiveness in the discharge of its responsibilities. Observations from these audits are presented, together with Management's response and proposed action plans, to the ARMC for its review. The internal audit function also follows up and reports to the ARMC on the status of implementation of action plans by Management on the recommendations highlighted in the internal audit reports, especially on areas where material internal control deficiencies or lapses have been noted.

Further details of the activities of the internal audit function are provided in the Audit and Risk Management Committee Report.

INTERNAL CONTROL

The key elements of the Group's internal control system are described below:

(a) Limits of authority and responsibility
Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant charters/terms of reference, organisational structures and appropriate authority limits.

(b) Written policies and procedures
Clearly defined internal policies and procedures as set out in the Group's Standard Operating Procedures Manual are regularly updated to reflect changing risks or to address operational deficiencies.

(c) Planning, monitoring and reporting
- The adequacy of the Group's internal controls is based on the components of the Group's Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control Integrated Framework.
- The Audit and Risk Management Committee reviews the effectiveness and efficiency of the internal control system on a quarterly basis, which is subsequently reported to the Board.
- Comprehensive information, which includes the monthly management reports covering all key financial and operational indicators, is provided to Senior Management for the monitoring of performance against strategic plan; and
- Written declaration by all employees confirming their compliance with the Group's Business Code of Conduct and Ethics is in place to support the business objectives.

CONCLUSION

The Board is pleased that it has received the assurance from the Managing Director, Executive Director and the Financial Controller that the risk management and internal control system in place for the financial year under review, and up to the date of approval of this statement, is satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's strategic objectives.

This statement is reviewed and approved by the Board of Directors in the meeting dated 29 July 2015 and had been reviewed by the external auditors.

FINANCIAL CONTENTS

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The Company is principally involved in the holding of securities for investment purposes, provision of management services and trading of building materials.

The principal activities of the subsidiaries and associate are disclosed in Notes 7 and 8 to the financial statements respectively.

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

RESULTS

	Group RM'000	Company RM'000
Profit for the year	376,579	53,149
Attributable to:		
Owners of the parent	376,591	53,149
Non-controlling interests	(12)	-
	376,579	53,149

There was no material transfer to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 2.4 to the financial statements.

DIRECTORS' REPORT

DIVIDENDS

Dividends paid by the Company since 31 March 2014 were as follows:

	RM'000
In respect of the financial year ended 31 March 2014:	
Special single tier dividend of RM0.002 per ordinary share on 990,171,160 ordinary shares, approved on 25 September 2014 and paid on 13 November 2014.	1,980

The directors have proposed a first and final single tier dividend of 0.3 sen per ordinary share of RM0.20 each in respect of the financial year ended 31 March 2015. The proposed first and final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2016.

DIRECTORS

The directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas
Dato' Mustapha bin Buang
Dato' Mohamed Salleh bin Bajuri
Tan Siew Poh
Yu Tat Loong

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under Asian Pac Holdings Berhad's ("APHB") Employee Share Option Scheme ("ESOS") as disclosed in Note 15 to the financial statements.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company and related corporations as shown in Notes 22 and 23 to the financial statements) by reason of a contract made by the Company or a related corporation with any 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.

DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over ordinary shares in the Company during the financial year were as follows:

	I--------Number of ordinary shares of RM0.20 each--------I			
	1 April 2014	Acquired	Sold	31 March 2015
Direct interest:				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas	1,857,000	-	(1,857,000)	-
Dato' Mustapha bin Buang	32,850,985	-	-	32,850,985
Tan Siew Poh	850,436	-	(850,436)	-
Indirect interest:				
Dato' Mustapha bin Buang	800,000	-	-	800,000

	Number of options pursuant to APHB's ESOS I----------- over ordinary shares of RM0.20 each -----------I			
	1 April 2014	Granted	Exercised	31 March 2015
Direct interest:				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas	-	3,150,000	-	3,150,000
Dato' Mustapha bin Buang	-	1,697,500	-	1,697,500
Dato' Mohamed Salleh bin Bajuri	-	2,150,000	-	2,150,000
Tan Siew Poh	-	2,100,000	-	2,100,000
Yu Tat Loong	-	3,500,000	-	3,500,000

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM195,063,000 to RM198,205,000 by way of issuance of 15,711,000 ordinary shares of RM0.20 each, for cash pursuant to APHB's ESOS at the weighted average exercise price of RM0.20 per ordinary share. The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

EMPLOYEE SHARE OPTION SCHEME

At an Extraordinary General Meeting held on 31 October 2005, shareholders approved the Employee Share Option Scheme ("ESOS") for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible employees.

The committee administering the ESOS includes 1 director, Dato' Mustapha bin Buang.

The salient features and other terms of the ESOS are disclosed in Note 15 to the financial statements.

The tenure of the ESOS had expired on 30 May 2011 and was extended for another 5 years to mature on 12 April 2016.

On 19 March 2014, the Company granted 53,740,000 ESOS to eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company at an exercise price of RM0.20 per ordinary share. At the closing date of 18 April 2014, 52,075,000 ESOS granted were accepted by employees of the Group.

On 21 October 2014, the Company further granted 7,657,500 ESOS to eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company at an exercise price of RM0.22 per ordinary share. At the closing date of 20 November 2014, 7,300,000 ESOS granted were accepted by employees of the Group.

The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of option holders, other than directors, who have been granted options to subscribe for less than 900,000 ordinary shares of RM0.20 each. The names of option holders granted options to subscribe for 900,000 or more ordinary shares of RM0.20 each are as follows:

Name	Grant date	Expiry date	Exercise price RM	I---- Number of share options ----I Granted	Exercised	31 March 2015
Wong Yee Kean	19/3/14	12/4/16	0.20	1,320,000	-	1,320,000
Abdul Molok bin Abu Bakar	19/3/14	12/4/16	0.20	950,000	(475,000)	475,000
Goh Chin Wai	19/3/14	12/4/16	0.20	1,080,000	(640,000)	440,000
Lee Heng Chin	19/3/14	12/4/16	0.20	930,000	-	930,000
Chong Ka Loong	19/3/14	12/4/16	0.20	900,000	(300,000)	600,000

Details of options granted to directors are disclosed in the section on directors' interests in this report.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION

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

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

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

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

   (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) 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.

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

(e) As at the date of this report, there does not exist:

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

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

(f) In the opinion of the directors:

   (i) 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 or of the Company to meet their obligations when they fall due; and

   (ii) 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 or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENT

Details of the significant event are disclosed in Note 32 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 July 2015.

Tan Sri Dato' Seri Hj. Megat Najmuddin
bin Datuk Seri Dr Hj. Megat Khas

Dato' Mustapha bin Buang

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

We, Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas and Dato' Mustapha bin Buang, being two of the directors of Asian Pac Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 53 to 149 are drawn up in accordance with Financial Reporting Standards and the requirements 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 2015 and of their financial performance and cash flows for the year then ended.

The information set out in Note 39 to the financial statements on page 150 have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 July 2015.

Tan Sri Dato' Seri Hj. Megat Najmuddin
bin Datuk Seri Dr Hj. Megat Khas

Dato' Mustapha bin Buang

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

I, Wong Yee Kean, being the officer primarily responsible for the financial management of Asian Pac Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 53 to 150 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Wong Yee Kean at Kuala Lumpur
in the Federal Territory on
29 July 2015.

Wong Yee Kean

Before me,
No.: 663
Baloo A/L T.Pichai
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASIAN PAC HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Asian Pac Holdings Berhad, which comprise the statements of financial position as at 31 March 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 53 to 149.

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 controls as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation of the 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 controls. 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 at 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act,1965 in Malaysia.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ASIAN PAC HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia ("the Act"), 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 have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

OTHER MATTERS

The supplementary information set out in Note 39 to the financial statements on page 120 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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.

Ernst & Young
AF: 0039
Chartered Accountants

Sundralingam A/L Navaratnam
No. 2984/05/16(J)
Chartered Accountant

Kuala Lumpur, Malaysia
29 July 2015

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STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2015

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	Note	Group 31.3.2015 RM'000	Group 31.3.2014 RM'000 (Restated)	Group 1.4.2013 RM'000 (Restated)	Company 31.3.2015 RM'000	Company 31.3.2014 RM'000 (Restated)	Company 1.4.2013 RM'000 (Restated)
Assets							
Non-current assets							
Property, plant and equipment	3	35,838	32,545	33,665	496	31	48
Land held for property development	4(a)	54,068	54,068	71,998	-	-	-
Investment properties	5	1,133,136	406,906	381,241	-	-	-
Intangible asset	6	14,796	17,275	21,453	-	-	-
Investments in subsidiaries	7	-	-	-	449,204	396,849	406,347
Investment in an associate	8	-	-	-	-	-	-
Available-for-sale investments	9	4,555	4,389	7,148	1,374	1,330	1,450
Deferred tax assets	10	2,495	2,136	3	15	9	2
		1,244,888	517,319	515,508	451,089	398,219	407,847
Current assets							
Property development costs	4(b)	98,115	214,338	195,912	-	-	-
Available-for-sale investments	9	-	-	212	-	-	-
Inventories of completed properties	11	23,783	6,690	6,722	-	-	-
Trade and other receivables	12	48,911	60,556	17,186	11,751	52,959	26,059
Accrued billings in respect of property development costs		35,142	42,383	38,295	-	-	-
Accrued income		69	29	29	17	-	-
Prepayment		351	1,359	2,181	38	55	36
Tax recoverable		1,371	1,375	5,494	788	788	5,158
Financial assets at fair value through profit or loss	13	12,221	-	-	2,043	-	-
Short term deposits	14	13,306	-	-	-	-	-
Cash and cash equivalents	14	71,883	89,878	76,095	31,877	2,463	1,050
		305,152	416,608	342,126	46,514	56,265	32,303
Total assets		1,550,040	933,927	857,634	497,603	454,484	440,150

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	Note	Group 31.3.2015 RM'000	Group 31.3.2014 RM'000 (Restated)	Group 1.4.2013 RM'000 (Restated)	Company 31.3.2015 RM'000	Company 31.3.2014 RM'000 (Restated)	Company 1.4.2013 RM'000 (Restated)
Equity and liabilities							
Equity attributable to owners of the parent							
Share capital	15	198,205	195,063	195,063	198,205	195,063	195,063
Share premium		3,427	2,206	2,206	3,427	2,206	2,206
Other reserves	16	3,778	201	1,108	81,463	78,008	78,008
Retained earnings		586,262	211,651	170,818	137,054	85,885	43,678
		791,672	409,121	369,195	420,149	361,162	318,955
Non-controlling interests		256	268	271	-	-	-
Total equity		791,928	409,389	369,466	420,149	361,162	318,955
Non-current liabilities							
Deferred tax liabilities	10	192,506	53,098	67,602	5	7	-
Trade and other payables	18	13,142	11,976	10,277	-	-	-
Loans and borrowings	17	248,490	172,358	237,703	374	-	-
		454,138	237,432	315,582	379	7	-
Current liabilities							
Loans and borrowings	17	127,864	114,906	69,888	50,105	-	-
Trade and other payables	18	174,886	120,010	92,238	26,970	93,315	121,195
Prepayment from tenants		699	655	655	-	-	-
Progress billings in respect of property development costs		-	37,207	7,446	-	-	-
Tax payable		525	14,328	2,359	-	-	-
		303,974	287,106	172,586	77,075	93,315	121,195
Total liabilities		758,112	524,538	488,168	77,454	93,322	121,195
Total equity and liabilities		1,550,040	933,927	857,634	497,603	454,484	440,150

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

STATEMENTS OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2015

	Note	Group 2015 RM'000	Group 2014 RM'000 (Restated)	Company 2015 RM'000	Company 2014 RM'000 (Restated)
Revenue	19	230,269	284,191	11,298	55,647
Cost of sales	20	(170,798)	(213,098)	-	-
Gross profit		59,471	71,093	11,298	55,647
Other income	21	524,151	5,899	52,478	27,890
Employee benefits expense	22	(18,016)	(10,187)	(2,641)	(2,183)
Depreciation		(2,429)	(1,368)	(144)	(23)
Other expenses		(28,140)	(19,343)	(3,829)	(38,714)
Operating profit		535,037	46,094	57,162	42,617
Finance costs	24	(6,193)	(2,726)	(4,021)	(410)
Profit before tax	25	528,844	43,368	53,141	42,207
Income tax (expense)/benefit	26	(152,265)	(2,538)	8	-
Profit for the year		376,579	40,830	53,149	42,207
Profit attributable to:					
Owners of the parent		376,591	40,833	53,149	42,207
Non-controlling interests		(12)	(3)	-	-
		376,579	40,830	53,149	42,207
Earnings per share attributable to owners of the parent (sen per share):					
Basic	27(a)	38.2	4.2		
Diluted	27(b)	37.8	4.2		

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2015

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000
Profit for the year	376,579	40,830	53,149	42,207
Other comprehensive income/(loss) :				
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):				
Fair value gain/(loss) on available-for-sale investments	166	(907)	44	-
Total comprehensive income for the year	376,745	39,923	53,193	42,207
Total comprehensive income attributable to:				
Owners of the parent	376,757	39,926	53,193	42,207
Non-controlling interests	(12)	(3)	-	-
	376,745	39,923	53,193	42,207

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

GROUP

	Attributable to owners of the parent						
	Non-distributable			Distributable			
	Share capital RM'000 (Note 15)	Share premium RM'000	Other reserves RM'000 (Note 16)	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 31 March 2015							
At 1 April 2014, as previously reported	195,063	2,206	201	181,895	379,365	268	379,633
Effects of change in accounting policy for investment properties (Note 2.4)	-	-	-	29,756	29,756	-	29,756
As restated	195,063	2,206	201	211,651	409,121	268	409,389
Total comprehensive income for the year	-	-	166	376,591	376,757	(12)	376,745
Dividends paid for the financial year ended 31 March 2014 (Note 28)	-	-	-	(1,980)	(1,980)	-	(1,980)
Share options granted under ESOS	-	-	4,632	-	4,632	-	4,632
Issue of ordinary shares pursuant to ESOS exercised (Note 15)	3,142	1,221	(1,221)	-	3,142	-	3,142
At 31 March 2015	198,205	3,427	3,778	586,262	791,672	256	791,928

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2015

GROUP

	Attributable to owners of the parent						
	Non-distributable			Distributable			
	Share capital RM'000 (Note 15)	Share premium RM'000	Other reserves RM'000 (Note 16)	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 31 March 2014							
At 1 April 2013, as previously reported	195,063	2,206	1,108	143,353	341,730	271	342,001
Effects of change in accounting policy for investment properties (Note 2.4)	-	-	-	27,465	27,465	-	27,465
As restated	195,063	2,206	1,108	170,818	369,195	271	369,466
Total comprehensive (loss)/income for the year	-	-	(907)	40,833	39,926	(3)	39,923
At 31 March 2014, as restated	195,063	2,206	201	211,651	409,121	268	409,389

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

COMPANY

	I-------- Non-distributable	---------I			
	Share capital RM'000 (Note 15)	Share premium RM'000	Other reserves RM'000 (Note 16)	Retained earnings RM'000	Total equity RM'000
At 31 March 2015					
At 1 April 2014, as previously reported	195,063	2,206	78,008	62,256	337,533
Adjustments (Note 38)	-	-	-	23,629	23,629
As restated	195,063	2,206	78,008	85,885	361,162
Total comprehensive income for the year	-	-	44	53,149	53,193
Dividends paid for the financial year ended 31 March 2014 (Note 28)	-	-	-	(1,980)	(1,980)
Share options granted under ESOS	-	-	4,632	-	4,632
Issue of ordinary shares pursuant to ESOS (Note 15)	3,142	1,221	(1,221)	-	3,142
At 31 March 2015	198,205	3,427	81,463	137,054	420,149
At 31 March 2014					
At 1 April 2013, as previously reported	195,063	2,206	78,008	19,648	294,925
Adjustments (Note 38)	-	-	-	24,030	24,030
As restated	195,063	2,206	78,008	43,678	318,955
Total comprehensive income for the year	-	-	-	42,207	42,207
At 31 March 2014, as restated	195,063	2,206	78,008	85,885	361,162

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

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STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2015

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

	Note	Group 2015 RM'000	Group 2014 RM'000 (Restated)	Company 2015 RM'000	Company 2014 RM'000 (Restated)
Cash flows from operating activities					
Profit before tax		528,844	43,368	53,141	42,207
Adjustments for:					
Bad debts recovered	12(b)	(60)	(59)	-	-
Depreciation of property, plant and equipment	3	2,429	1,368	144	23
ESOS option cost	22	4,632	-	550	-
Gain on changes in fair value of investment properties	5	(519,359)	(1,860)	-	-
Gain on fair value adjustments of financial assets at fair value through profit or loss	21	(290)	-	(43)	-
Impairment on:					
- quoted investments	25	-	364	-	120
- investment in subsidiaries	25	-	-	-	37,388
- intangible asset	6	2,479	4,178	-	-
- other receivables	12(b)	236	579	236	548
Realised gain on changes in fair value of quoted investments upon disposal	21	-	(1,576)	-	-
Gain on disposal of quoted investments	21	-	(146)	-	-
Gain on disposal of property, plant and equipment	21, 25	(154)	-	(80)	-
Property, plant and equipment written off	25	158	1	-	-
Reversal of impairment loss on:					
- investment properties	5	(4,414)	-	-	-
- other receivables	12(b)	(83)	-	-	-
- investment in subsidiaries	7, 21	-	-	(52,355)	(27,890)
Unwinding of discount	21	(285)	(95)	-	-
Interest expense	24	6,193	2,726	4,021	410
Interest income	19, 21	(2,731)	(1,596)	(751)	(324)
Dividend income	19	(6)	(66)	(8,900)	(54,000)
Operating profit/(loss) before working capital changes		17,589	47,186	(4,037)	(1,518)
Changes in working capital:					
Decrease/(increase) in property development costs		116,223	(496)	-	-
Decrease/(increase) in trade and other receivables		20,161	(46,341)	(242)	(568)
(Increase)/decrease in inventories		(17,093)	32	-	-
Increase/(decrease) in trade and other payables		19,162	59,331	(35,935)	36,721
Changes in subsidiaries balances		-	-	10,803	(91,500)
Cash generated from/(used in) operations		156,042	59,712	(29,411)	(56,865)
Interest received		314	324	751	324
Dividend received		-	-	8,900	54,000
Taxes (paid)/refund		(27,015)	(3,087)	-	4,370
Net cash generated from/(used in) operating activities		129,341	56,949	(19,760)	1,829

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2015

	Note	Group 2015 RM'000	Group 2014 RM'000 (Restated)	Company 2015 RM'000	Company 2014 RM'000 (Restated)
Cash flows from investing activities					
Interest received		2,019	1,272	-	-
Dividend received		6	66	-	-
Proceeds from disposal of property, plant and equipment		156	6	80	-
Proceeds from disposal of quoted investments		-	3,422	-	-
Purchase of property, plant and equipment		(4,472)	(255)	(61)	(6)
Purchase of investment properties		(201,225)	(23,805)	-	-
Placement in short term deposits		(13,306)	-	-	-
Placement in financial assets at fair value through profit or loss		(11,931)	-	(2,000)	-
Net cash used in investing activities		(228,753)	(19,294)	(1,981)	(6)
Cash flows from financing activities					
Net repayment of hire purchase payables		(424)	(257)	(68)	-
Proceeds from issuance of shares - ESOS		3,142	-	3,142	-
ESOS cost received		-	-	4,082	-
Drawdown of loans		318,151	42,639	50,000	-
Repayment of term loans		(231,293)	(63,528)	-	-
Dividend paid		(1,980)	-	(1,980)	-
Interest paid		(6,179)	(2,726)	(4,021)	(410)
Net cash from/(used in) financing activities		81,417	(23,872)	51,155	(410)
Net (decrease)/increase in cash and cash equivalents		(17,995)	13,783	29,414	1,413
Cash and cash equivalents at beginning of year		89,878	76,095	2,463	1,050
Cash and cash equivalents at end of year	14	71,883	89,878	31,877	2,463

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

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 12th Floor, Menara SMI, No.6, Lorong P. Ramlee, 50250 Kuala Lumpur and the principal place of business of the Company is located at Ground Floor, Menara SMI, No.6, Lorong P. Ramlee, 50250 Kuala Lumpur.

The Company is principally involved in the holding of securities for investment purposes, provision of management services and trading of building materials. The principal activities of the subsidiaries and associate are disclosed in Notes 7 and 8 to the financial statements, respectively.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 July 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

At the beginning of the current financial year, the Group and the Company adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1 April 2014 as described fully in Note 2.2.

The financial statements have been prepared under the historical cost basis except as disclosed in the significant accounting policies in Note 2.5.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies

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

On 1 April 2014, 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 January 2014.

Description	Effective for annual periods beginning on or after
Amendments to FRS 132: *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: *Investment Entities*	1 January 2014
Amendments to FRS 136: *Recoverable Amount Disclosures for Non-Financial Assets*	1 January 2014
Amendments to FRS 139: *Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
IC Interpretation 21 *Levies*	1 January 2014

The adoption of the above standards, amendments and interpretations did not have any significant effect on the financial performance or position of the Group and of the Company.

2.3 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 the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to FRS 2: *Share-based Payment (Annual Improvements to FRSs 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 3: *Business Combinations (Annual Improvements to FRSs 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 3: *Business Combinations (Annual Improvements to FRSs 2011-2013 Cycle)*	1 July 2014
Amendments to FRS 8: *Operation Segments (Annual Improvements to FRS 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 13: *Fair Value Measurement (Annual Improvements to FRS 2011-2013 Cycle)*	1 July 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards and interpretations issued but not yet effective (cont'd)

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 116: *Property, Plant and Equipment (Annual Improvements to FRS 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 119: *Defined Benefits Plans: Employee Contributions*	1 July 2014
Amendments to FRS 124: *Related Party Disclosures (Annual Improvements to FRS 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 138: *Intangible Assets (Annual Improvements to FRS 2010-2012 Cycle)*	1 July 2014
Amendments to FRS 140: *Investment Property (Annual Improvements to FRS 2011-2013 Cycle)*	1 July 2014
Amendments to FRS 5: *Non-current Assets Held for Sale and Discontinued Operations (Annual Improvements to FRS 2012-2014 Cycle)*	1 January 2016
Amendments to FRS 7: *Financial Instruments: Disclosures (Annual Improvements to FRS 2012-2014 Cycle)*	1 January 2016
Amendments to FRS 10, 128 : *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 10, 12, 128 : *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 11: *Accounting For Acquisition of Interests in Joint Operations*	1 January 2016
Amendments to FRS 101: *Disclosure Initiative*	1 January 2016
Amendments to FRS 116 and FRS 138: *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 119: *Employee Benefits (Annual Improvements to FRS 2012-2014 Cycle)*	1 January 2016
Amendments to FRS 127: *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 134: *Interim Financial Reporting (Annual Improvements to FRS 2012-2014 Cycle)*	1 January 2016
MFRS 15 : *Revenue from Contracts with Customers*	1 January 2017
FRS 9 : *Financial Instruments (IFRS 9 as issued by IASB in July 2014)*	1 January 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards and interpretations issued but not yet effective (cont'd)

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:

(a) Amendments to FRS 101: *Disclosure Initiatives*

The amendments to FRS 101 include narrow-focus improvements in the following five areas:

- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income arising from equity accounted investments

(b) FRS 9 *Financial Instruments*

In November 2014, MASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 *Financial Instruments: Recognition and Measurement* and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of FRS 9 will have an effect on the classification and measurement of the Group and the Company's financial assets, but no impact on the classification and measurement of the Group and the Company's financial liabilities.

(c) Annual Improvements to FRSs 2010–2012 Cycle

The Annual Improvements to FRSs 2010-2012 Cycle include a number of amendments to various FRSs, which are summarised below. The Group and the Company are currently assessing the impact of the application of this standard on the financial position and performance of the Group and the Company.

Standards	Descriptions
FRS 116 *Property, Plant and Equipment* and FRS 138 *Intangible Assets*	The amendments remove inconsistencies in the accounting for accumulated depreciation or amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amendments clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.
FRS 124 *Related Party Disclosures*	The amendments clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. The reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards and interpretations issued but not yet effective (cont'd)

(d) Annual Improvements to FRSs 2011–2013 Cycle

The Annual Improvements to FRSs 2011-2013 Cycle include a number of amendments to various FRSs, which are summarised below. The Group and the Company are currently assessing the impact of the application of this standard on the financial position and performance of the Group and the Company.

Standards	Descriptions
FRS 13 *Fair Value Measurement*	The amendments to FRS 13 clarify that the portfolio exception in FRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of FRS 9 (or FRS 139 as applicable).

(e) Annual Improvements to FRSs 2012–2014 Cycle

The Annual Improvements to FRSs 2012-2014 Cycle include a number of amendments to various FRSs, which are summarised below. The Group and the Company are currently assessing the impact of the application of this standard on the financial position and performance of the Group and the Company.

Standards	Descriptions
FRS 7 *Financial Instruments: Disclosures*	The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in FRS 7 in order to assess whether the disclosures are required. In addition, the amendment also clarifies that the disclosures in respect of offsetting of financial assets and financial liabilities are not required in the condensed interim financial report.

(f) MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including FRS 118 Revenue, FRS 111 Construction Contracts and the related interpretations when it becomes effective.

The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, such as when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards and interpretations issued but not yet effective (cont'd)

(f) MFRS 15 Revenue from Contracts with Customers (cont'd)

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The directors anticipate that the application of MFRS 15 will have a material impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

(g) Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

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* and IC Interpretation 15: *Agreements for Construction of Real Estate*, including its parent, significant investor and venturer (herein called 'Transitioning Entities').

The Company falls within the definition of Transitioning Entities and is currently exempted from adopting the MFRS. Accordingly, the Company will adopt the MFRS and present its first MFRS financial statements when adoption of the MFRS is mandated by the MASB. In presenting its first MFRS financial statements, the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Company is in the process of assessing the financial effects of the differences between the accounting standards under FRS and under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2015 and 31 March 2014 could be different if prepared under the MFRS Framework.

2.4 Changes in accounting policy

Fair value model for investment properties

The Group re-assessed its accounting for investment properties with respect to the measurement of investment properties after initial recognition. The Group has previously measured all investment properties using the cost model as set out in FRS 140, whereby after initial recognition of the asset classified as investment properties, the asset was carried at cost less accumulated depreciation and accumulated impairment losses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Changes in accounting policy (cont'd)

Fair value model for investment properties (cont'd)

During the financial year, the Group elected to change the method of accounting for investment properties as the Group believes that the fair value model more effectively demonstrates the financial position of the investment properties and is more aligned to practices adopted by its competitors where the properties are held to earn rentals or capital appreciation or both. In addition, the activity in the property markets in which these assets are located provides observable market data on which reliable fair value estimates can be derived.

Fair values were determined using the comparison method considering recent market transactions for similar properties in the same location as well as the investment method that makes reference to estimated market rental values and equivalent yields. Valuations are performed by accredited independent valuers with recent experience in the location and category of properties being valued.

The Group has applied the change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the consolidated financial position as at 31 March 2015 arising from the change in accounting policy:

The following comparatives have been restated :

Group Statement of financial position	As previously stated RM'000	Adjustments RM'000	As restated RM'000
31 March 2014			
Investment properties	375,764	31,142	406,906
Deferred tax liabilities	(51,712)	(1,386)	(53,098)
Retained earnings	(181,895)	(29,756)	(211,651)
31 March 2013			
Investment properties	352,448	28,793	381,241
Deferred tax liabilities	(66,274)	(1,328)	(67,602)
Retained earnings	(143,353)	(27,465)	(170,818)
Group Statement of profit and loss			
31 March 2014			
Other income	4,039	1,860	5,899
Depreciation	(1,857)	489	(1,368)
Income tax expense	(2,480)	(58)	(2,538)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies

(a) 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.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) Potential voting rights held by the Company, other vote holders or other parties;

(iii) Rights arising from other contractual arrangements; and

(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 139 either in profit or loss or as a change to other comprehensive income.

If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of FRS 139, it is measured in accordance with the appropriate FRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2.5(d).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

Business combinations (cont'd)

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The acquisition of equity interest in the previous years have been accounted for as a business combination involving entities under common control. Accordingly, the assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid, the share capital of the "acquired" entity and the pre-acquisition reserves as at date of common control is reflected within equity as merger reserve.

(b) Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) exposure, or rights, to variable returns from its investment with the investee; and

(iii) the ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

(c) Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(d) Intangible asset

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Goodwill is not amortised but instead, is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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 off, 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.

(e) Investment in an associate

An associate is an entity, not being a subsidiary nor a joint venture, in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control over those policies.

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(e) Investment in an associate (cont'd)

An associate is equity accounted for from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

The financial statements of the associate 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.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

In the Company's separate financial statements, investment in an associate is accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

(f) Property, plant and equipment, and depreciation

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

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

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

Certain long term leasehold land and building have not been revalued since they were first revalued in 1992. The directors have not adopted a policy of regular valuations of such assets. As permitted under the transitional provisions of International Accounting Standards (IAS) No. 16 (Revised): *Property, Plant and Equipment* adopted by the Malaysian Accounting Standards Board ("MASB"), the long term leasehold land and building is stated at their 1992 valuation less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost or valuation of each asset to its residual value over the estimated useful life, at the following annual rates:

Long term leasehold land	1% - 1.3%
Long term leasehold land and building	1%
Long term leasehold buildings	1%
Motor vehicles	20%
Office furniture and equipment	20%
Plant and machinery	20%
Renovation	20%

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.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

(g) 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 using the comparison method considering recent market transactions for similar properties in the same location as well as the investment method that makes reference to estimated market rental values and equivalent yields. Valuations are performed by accredited 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(g) Investment properties (cont'd)

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 gains or losses on the retirement or disposal of investment properties are 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 as set out in Note 2.5(f) up to the date of change in use.

Investment properties under construction are measured at cost as the fair value could not be reliably obtained.

(h) 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.

Land held for property development is reclassified to property development costs (classified within current assets) when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Land held for property development comprises costs associated with the acquisition of land and all costs incurred subsequent to the acquisition but prior to the transfer to property development costs on activities necessary to prepare the land for its intended use.

Costs associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate cost as allowed by FRS 201.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(h) 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. Costs consist of land and development expenditure. Development expenditures include borrowing costs relating to the financing of the land and development.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed 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 it 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 profit or loss over billings to purchasers is classified as accrued billings within current assets and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within current liabilities.

(i) Impairment of non-financial assets

The Group and the Company assess 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 and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the 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 flow (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 asset 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(i) Impairment of non-financial assets (cont'd)

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.

(j) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company become a party to the contractual provisions of the financial instrument.

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

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include loans and receivables, available-for-sale financial assets and financial assets at fair value through profit or loss.

(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

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

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(j) Financial assets (cont'd)

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other expenses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(iii) Available-for-sale financial assets

Available-for-sale ("AFS") financial assets are financial assets that are designated as available for sale or are not classified in any of the other categories.

After initial recognition, AFS financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an AFS equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

AFS financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(j) Financial assets (cont'd)

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(k) Impairment of financial assets

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

(i) Trade and other receivables and other financial assets carried at amortised costs

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, receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(k) Impairment of financial assets (cont'd)

(ii) 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 of 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.

(iii) Assets classified as AFS

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

If an AFS 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 AFS 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.

(l) Inventories of completed properties

Inventories of completed properties are stated at lower of cost (determined on the specific identification basis) and net realisable value ("NRV"). Cost includes costs associated with the acquisition of land, direct costs and appropriate proportions of common costs.

NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, demand deposits, and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(n) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(ii) Other financial liabilities

The Group and the Company classify their financial liabilities as other financial liabilities which include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(o) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably measured.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(p) Leases

(i) As a lessee

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

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

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

(ii) As a lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.5(w)(v).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(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. Capitalisation of borrowing costs shall cease when substantially all the activities to prepare the asset for its intended use or sale are completed.

All other borrowing costs are recognised in profit or loss in the period in which 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 taxes

(i) Current tax

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

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

(ii) Deferred tax

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

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2.5(g), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(r) Income taxes (cont'd)

(ii) Deferred tax (cont'd)

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

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

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

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

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(s) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

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

(iii) Share-based compensation

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

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

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(t) Foreign currencies

(ii) 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 Group's and 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 that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. 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 the translation of monetary items, are included 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 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 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 are accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(u) Current versus non-current classification

The Group and the Company present their assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

(v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(v) Fair value measurement (cont'd)

The Group and the Company use valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group measures investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group had engaged independent professional valuers to determine the fair values as at the reporting date.

(w) Revenue and other income

Revenue and other income are recognised to the extent that it is probable that the economic benefits will flow to the Group and they can be reliably measured. Revenue and other income are measured at the fair value of consideration received or receivable.

(i) Sale of properties

Revenue from sale of properties are accounted for by the stage of completion method as described in Note 2.5(h)(ii).

(ii) Sale of building materials

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

(iii) Car park operations

Revenue from car park operations are recognised as and when the services are rendered.

(iv) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as AFS, interest income is recorded using the effective interest rate (EIR) method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in revenue and other income in the statement of profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(w) Revenue and other income (cont'd)

(v) Rental income

Rental income is recognised on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(vi) Dividend income

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

(vii) Management fees

Management fees are recognised when these services are rendered.

(x) Segment reporting

For management reporting purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 37 to the financial statements, including the factors used to identify the reportable segments and the measurement basis of segment information.

(y) Share capital and share issuance expenses

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

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

(z) Contingencies

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgements and estimates

(a) Judgements made in applying accounting policies

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

(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 leased 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 - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

(iii) Impairment of available-for-sale investments

The Group reviews its quoted securities classified as available-for-sale investments at each reporting date to assess whether there has been a significant or prolonged decline in the fair value below their cost.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

For the financial year ended 31 March 2015, the amount of impairment loss recognised for available-for-sale financial assets for the Group and the Company were RM Nil (2013: RM364,000) and RM Nil (2013: RM120,000) respectively.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty

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

(i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. The recoverable amount of the property development CGU has been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering five-year periods. The property development's CGU used in the five-year cash flow projections is based on the expected sales and contracted costs throughout the duration of development project and using the stage of completion method as described in the property development cost Note 2.5(h)(ii). The carrying amount of goodwill as at 31 March 2015 was RM14,796,000 (2014: RM17,275,000). Further details are disclosed in Note 6 to the financial statements.

(ii) Property development

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

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. Details of property development costs are disclosed in Note 4(b) to the financial statements.

(iii) Deferred tax

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profits will be available against which the tax losses and capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of unrecognised tax losses and capital allowances of the Group and of the Company are RM8,348,000 (2014: RM6,219,000) and RM5,748,000 (2014: RM3,923,000) respectively.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Significant accounting judgements and estimates (cont'd)

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

(iv) Income tax

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. Details of the income tax expense are disclosed in Note 26.

(v) Allowance for bad and doubtful debts

The policy for allowance for bad and doubtful debts of the Group is based on management's judgement and the evaluation of collectability and ageing analysis of the receivables inclusive of retention sum and advances to sub-contractors. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit-worthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, additional allowance may be required.

(vi) Fair values of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. Significant judgement is required in determining fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The Group engaged independent valuation specialists to determine fair value as at 31 March 2015.

(vii) Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the employee share options at grant date. Judgement is required in determining the most appropriate valuation model for the share options granted, depending on the terms and conditions of the grant. Management is also required to use judgement in determining the most appropriate inputs to the valuation model including volatility and dividend yield.

3. PROPERTY, PLANT AND EQUIPMENT

Group	At valuation	I---------------- At cost ----------------I			
	Long term leasehold land and building RM'000	Long term leasehold buildings RM'000	Long term leasehold land RM'000	Motor vehicles, office furniture, equipment, plant, tools, machinery and renovation RM'000	Total RM'000
At 31 March 2015					
At valuation/cost					
At 1 April 2014	370	26,345	7,868	9,693	44,276
Additions	-	-	-	5,882	5,882
Disposal	-	-	-	(1,521)	(1,521)
Write off	-	-	-	(2,496)	(2,496)
At 31 March 2015	370	26,345	7,868	11,558	46,141
Accumulated depreciation					
At 1 April 2014	170	2,916	562	8,083	11,731
Depreciation charge for the year (Note 25)	4	491	100	1,834	2,429
Disposal	-	-	-	(1,519)	(1,519)
Write off	-	-	-	(2,338)	(2,338)
At 31 March 2015	174	3,407	662	6,060	10,303
Net carrying amount					
At 31 March 2015	196	22,938	7,206	5,498	35,838

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	At valuation	I-------------- At cost	----------------	----------------I	
	Long term leasehold land and building RM'000	Long term leasehold buildings RM'000	Long term leasehold land RM'000	Motor vehicles, office furniture, equipment, plant, tools, machinery and renovation RM'000	Total RM'000
At 31 March 2014					
At valuation/cost					
At 1 April 2013	370	26,345	7,868	10,475	45,058
Additions	-	-	-	255	255
Disposal	-	-	-	(995)	(995)
Write off	-	-	-	(42)	(42)
At 31 March 2014	370	26,345	7,868	9,693	44,276
Accumulated depreciation					
At 1 April 2013	163	2,425	462	8,343	11,393
Depreciation charge for the year (Note 25)	7	491	100	770	1,368
Disposal	-	-	-	(989)	(989)
Write off	-	-	-	(41)	(41)
At 31 March 2014	170	2,916	562	8,083	11,731
Net carrying amount					
At 31 March 2014	200	23,429	7,306	1,610	32,545

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Motor vehicles RM'000	Office furniture and equipment RM'000	Total RM'000
Company			
At 31 March 2015			
Cost			
At 1 April 2014	1,081	222	1,303
Additions	609	-	609
Disposal	(604)	-	(604)
Write off	-	(96)	(96)
At 31 March 2015	1,086	126	1,212
Accumulated depreciation			
At 1 April 2014	1,081	191	1,272
Depreciation charge for the year (Note 25)	122	22	144
Disposal	(604)	-	(604)
Write off	-	(96)	(96)
At 31 March 2015	599	117	716
Net carrying amount			
At 31 March 2015	487	9	496
At 31 March 2014			
Cost			
At 1 April 2013	1,081	231	1,312
Additions	-	6	6
Write off	-	(15)	(15)
At 31 March 2014	1,081	222	1,303
Accumulated depreciation			
At 1 April 2013	1,081	183	1,264
Depreciation charge for the year (Note 25)	-	23	23
Write off	-	(15)	(15)
At 31 March 2014	1,081	191	1,272
Net carrying amount			
At 31 March 2014	-	31	31

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Long term leasehold land and building of the Group, stated at valuation

The long term leasehold land and building of the Group were revalued in 1992 based on professional valuations conducted on the basis of open market value.

The property has not been revalued since it was first revalued in 1992. The directors have not adopted a policy of regular valuations of such assets. As permitted under the transitional provisions of International Accounting Standards (IAS) No. 16 (Revised): *Property, Plant and Equipment* adopted by the Malaysian Accounting Standards Board, the property is stated at its 1992 valuation as its surrogate cost less accumulated depreciation and impairment losses.

Had the revalued long term leasehold building been carried at historical cost less accumulated depreciation, the net carrying amount as at 31 March 2015 would have been RM219,000 (2014: RM231,000).

(b) Long term leasehold building of the Group, stated at cost

Certain long term leasehold land and building of the Group with a carrying value of RM3,919,000 (2014: RM3,964,000) has been charged to financial institution as securities for the revolving credit facilities granted to the Group as disclosed in Note 17(c).

(c) Fully depreciated assets

Included in property, plant and equipment of the Group and of the Company are the costs of fully depreciated assets which are still in use as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Motor vehicles	1,770	2,961	476	1,081
Office furniture and equipment	771	1,962	99	112
Renovation	510	1,085	-	-
	3,051	6,008	575	1,193

(d) Assets held under hire purchase arrangements

During the current financial year, the Group and the Company acquired property, plant and equipment at aggregate costs of RM5,882,000 (2014: RM255,000) and RM609,000 (2014: RM6,000), respectively, of which assets costing RM1,410,000 (2014: RM Nil) and RM548,000 (2014: RM Nil) of the Group and the Company respectively, were acquired by means of hire purchase arrangements.

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(d) Assets held under hire purchase arrangements (cont'd)

Leased assets are pledged as security for the related lease liabilities (Note 17(d)). Net carrying amounts of property, plant and equipment held under hire purchase arrangements are as follows:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Motor vehicles	1,530	589	488	-

4. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

	Group	
	2015	2014
	RM'000	RM'000
Long term leasehold land		
Cost and carrying amount		
At beginning of year	54,068	71,998
Incidental cost to the land	-	68
Transfer to property development costs (Note 4(b))	-	(17,998)
At end of year	54,068	54,068

Long term leasehold land of the Group with a carrying value of RM54,068,000 (2014: RM54,068,000) has been charged to financial institution as securities for revolving credit granted to the Group as disclosed in Note 17(c).

4. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D)

(b) Property development costs

	Group 2015 RM'000	Group 2014 RM'000
Cumulative property development costs		
At 1 April 2014/2013:		
Freehold land	72,602	72,416
Long term leasehold land	85,277	65,142
Development costs	367,194	157,150
	525,073	294,708
Costs incurred during the year:		
Freehold land	193	186
Long term leasehold land	2,139	2,510
Development costs	135,940	209,671
	138,272	212,367
Transfers:		
From land held for property development (Note 4(a))	-	17,998
To investment properties (Note 5)	(67,784)	-
To inventories of completed properties (Note 11)	(17,093)	-
	(84,877)	17,998
Reversal of completed projects:		
Freehold land	(9,883)	-
Long term leasehold land	(21,792)	-
Development costs	(157,431)	-
	(189,106)	-
At 31 March 2015/2014	389,362	525,073
Cumulative costs recognised in profit or loss		
At 1 April 2014/2013	(310,735)	(98,796)
Recognised during the year (Note 20)	(169,618)	(211,939)
Reversal of completed projects	189,106	-
At 31 March 2015/2014	(291,247)	(310,735)
Property development costs at 31 March 2015/2014	98,115	214,338

4. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D)

(b) Property development costs (cont'd)

Certain long term leasehold land were revalued in 1996 based on professional valuations conducted on the basis of open market value.

These properties have not been revalued since they were first revalued in 1996. The directors have not adopted a policy of regular valuations of such assets. As permitted under the transitional provisions of Financial Reporting Standard 201: *Property Development Activities* adopted by the Malaysian Accounting Standards Board, where an entity has carried its land held for property development at revalued amount as allowed under MASB Approved Accounting Standard MAS 7: *Accounting for Property Development* prior to 1 January 2004, the entity shall continue to retain the revalued amount of the land as its surrogate cost.

Included in property development costs incurred during the financial year are interest costs capitalised amounting to RM2,324,000 (2014: RM3,695,000) (Note 24).

Included in property development costs of the Group are freehold and leasehold land and development costs amounting to RM29,148,000 (2014: RM214,338,000) which have been charged to financial institutions as securities for the term loans as disclosed in Note 17(a).

5. INVESTMENT PROPERTIES

Fair value/cost	Freehold land RM'000	Leasehold land RM'000	Leasehold land and building RM'000	Investment properties under construction RM'000	Total RM'000
At 31 March 2015					
At 1 April 2014, as previously reported	-	38,916	352	336,496	375,764
Reclassification	-	(206)	206	-	-
Effects of change in accounting policy (Note 2.4)	-	30,289	853	-	31,142
At 1 April 2014, as restated	-	68,999	1,411	336,496	406,906
Additions	20,900	-	-	113,773	134,673
Reversal of accumulated impairment losses	-	-	-	4,414	4,414
Reclassification	-	-	454,683	(454,683)	-
Transfer from property development costs (Note 4(b))	-	-	67,784	-	67,784
Net gain from fair value adjustments recognised in profit and loss (Note 21)	42,800	2,300	474,259	-	519,359
At 31 March 2015	63,700	71,299	998,137	-	1,133,136
At 31 March 2014					
At 1 April 2013, as previously reported	-	39,397	360	312,691	352,448
Reclassification	-	(206)	206	-	-
Effects of change in accounting policy (Note 2.4)	-	28,108	685	-	28,793
At 1 April 2013, as restated	-	67,299	1,251	312,691	381,241
Additions	-	-	-	23,805	23,805
Net gain from fair value adjustments recognised in profit and loss (Note 21)	-	1,700	160	-	1,860
At 31 March 2014, as restated	-	68,999	1,411	336,496	406,906

5. INVESTMENT PROPERTIES (CONT'D)

Investment properties are stated at fair value, which has been determined based on valuations at the reporting date. Fair values were determined using the comparison method considering recent market transactions for similar properties in the same location as well as the investment method that makes reference to estimated market rental values and equivalent yields. Valuations are performed by accredited independent valuers with recent experience in the location and category of properties being valued.

In previous financial years, investment properties under construction were measured at cost as the fair value could not be reliably obtained.

Fair values using the comparison method were based on level 2 of the fair value hierarchy: other techniques for which the lowest level inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly. On the other hand, fair values using the investment method were based on level 3 of the fair value hierarchy: other techniques for which the lowest level inputs that have a significant effect on the recorded fair value are unobservable.

Reconciliation of fair value:

	Investment properties	
	Land and office properties RM'000	Land and retail property RM'000
As at 1 April 2013	68,550	-
Remeasurement recognised in profit or loss	1,860	-
As at 31 March 2014	70,410	-
Additions	20,900	-
Transfer from investment properties under construction	-	454,683
Transfer from property development costs	-	67,784
Remeasurement recognised in profit or loss	45,220	474,139
As at 31 March 2015	136,530	996,606

5. INVESTMENT PROPERTIES (CONT'D)

Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation technique	Significant observable inputs	Property
Investment method	Investment method entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.	Land/ retail
Comparison method	Comparing the property with comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, market conditions, size, shape and terrain of land, tenurial interest and restrictions if any, occupancy status, built-up area building construction, finishes and services, age and condition of building and other relevant characteristics.	Land/ office

Interest expense capitalised in investment properties under construction was RM13,712,000 (2014: RM9,329,000) (Note 24).

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

	2015 RM'000	2014 RM'000
Rental income (Note 19):		
- Land and office properties	1,200	1,159
- Land and retail property	184	-
Direct operating expenses (Note 25)	(106)	(103)
Profit arising from investment properties	1,278	1,056

Included in investment properties is certain long term leasehold land of the Group amounting to approximately RM43,000,000 (2014: RM41,000,000) which has been leased to a third party under an operating lease agreement, as disclosed in Note 29.

Certain long term leasehold land and investment properties of the Group with carrying value of RM1,103,306,000 (2014: RM405,496,000) have been charged to financial institutions as securities for credit facilities granted to the Group, as disclosed in Note 17(a) and (b) (2014: Note 17(a), (b) and (e)).

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

6. INTANGIBLE ASSET

	Group 2015 RM'000	Group 2014 RM'000
Cost:		
At 1 April/31 March 2014/2013	23,942	23,942
Accumulated impairment:		
At 1 April 2014/2013	(6,667)	(2,489)
Impairment loss recognised in profit or loss (Note 25)	(2,479)	(4,178)
At 31 March 2015/2014	(9,146)	(6,667)
Net carrying amount		
At 31 March 2015/2014	14,796	17,275

(i) Allocation of goodwill

Goodwill arising from business combinations has been allocated to two cash-generating units ("CGUs") for impairment testing, namely property development and property investment.

The carrying amounts of goodwill allocated to each CGU are as follows:

	Group 2015 RM'000	Group 2014 RM'000
Property development		
At 1 April 2014/2013	3,999	8,177
Impairment loss recognised in profit or loss (Note 25)	(2,479)	(4,178)
At 31 March 2015/2014	1,520	3,999
Property investment		
At 1 April/ 31 March 2015/2014	13,276	13,276
Total goodwill	14,796	17,275

6. INTANGIBLE ASSET (CONT'D)

(ii) Impairment testing of goodwill

The recoverable amount of the property development CGU has been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering five-year periods. The property development's CGU used in the five-year cash flow projections is based on the expected sales and contracted costs throughout the duration of development project and using the stage of completion method as described in the property development cost Note 2.5(h)(ii).

Impairment of goodwill during the year on the property development CGU was recognised based on percentage-of-completion.

The recoverable amount of the property investment CGU has been determined by registered independent appraisers having an appropriate recognised professional qualification and recent experience in the category of the properties being valued. Fair values were determined having regard to recent market transactions for similar properties in the same location as the Group's investment properties.

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2015 RM'000	2014 RM'000 (Restated)
Unquoted shares, at cost	575,200	575,200
Accumulated impairment losses	(125,996)	(178,351)
	449,204	396,849

Details of the subsidiaries, all of which are incorporated in Malaysia are as follows:

Name of subsidiaries	Paid-up share capital RM'000	Proportion of ownership interest 2015 %	2014 %	Principal activities
Held by the Company:				
Climate Engineering (Malaya) Sdn. Bhd.	50,000	100	100	Investment holding (dormant)
AGB Properties Sdn. Bhd.	1,000	100	100	Investment holding and renting out of offices
Pinus Park Sdn. Bhd.	680	100	100	Renting out of bungalow (dormant)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries, all of which are incorporated in Malaysia are as follows (cont'd):

Name of subsidiaries	Paid-up share capital RM'000	Proportion of ownership interest 2015 %	2014 %	Principal activities
Held by the Company (cont'd):				
BH Builders Sdn. Bhd.	110,000	100	100	Investment holding, property investment and development
Primadana Utama Sdn. Bhd.	2,500	100	100	Investment holding, property investment and development
Prousaha (M) Sdn. Bhd.	5,000	90	90	Property investment and development
Syarikat Kapasi Sdn. Bhd.	178,000	100	100	Property investment and development and carpark operation
Changkat Fajar Sdn. Bhd.	1,000	100	100	Property investment and development
Quality Trend Sdn. Bhd.	244	100	100	Property investment and development (dormant)
Asian Pac Property Management Sdn. Bhd.	500	100	100	Property management
Held through subsidiaries:				
BH Realty Sdn. Bhd.	3,100	100	100	Property investment and development and car park operation
Wangsa Masyhur Sdn. Bhd.	30,000	100	100	Property investment and development (dormant)
Tekad Intisari Sdn. Bhd.	*	75	75	Property development (dormant)
Taman Bestari Sdn. Bhd.	750	100	100	Property development

* Represents paid-up share capital of RM100

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

During the financial year, the Company recognised a reversal of impairment losses of RM52,355,000 (2014: RM27,890,000) (Note 21) and additional impairment losses of RM Nil (2014: RM37,388,000) on its investments in certain subsidiaries.

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

(a) Summarised financial information on subsidiaries with non-controlling interests

Summarised financial information of Prousaha (M) Sdn Bhd and Tekad Intisari Sdn Bhd which have non-controlling interests ("NCI") are set out below. The summarised financial information presented below is the amount before inter-company elimination.

	Prousaha (M) Sdn Bhd RM'000	Tekad Intisari RM'000	Total RM'000
At 31 March 2015			
NCI percentage of ownership interest and voting interest	10.00%	25.00%	
Carrying amount of NCI	376	(120)	256
Loss attributable to NCI	(11)	(1)	(12)
At 31 March 2014			
NCI percentage of ownership interest and voting interest	10.00%	25.00%	
Carrying amount of NCI	387	(119)	268
Loss attributable to NCI	(2)	(1)	(3)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Summarised financial information on subsidiaries with non-controlling interests (cont'd)

(i) Summarised statement of financial position

	Prousaha Sdn Bhd		Tekad Intisari Sdn Bhd		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-current assets	3	-	-	-	3	-
Current assets	24,305	21,003	40	47	24,345	21,050
Total assets	24,308	21,003	40	47	24,348	21,050
Non-current liabilities	4,770	10,770	-	-	4,770	10,770
Current liabilities	15,772	6,358	610	613	16,382	6,971
Total liabilities	20,542	17,128	610	613	21,152	17,741
Net assets/(liabilities)	3,766	3,875	(570)	(566)	3,196	3,309
Equity attributable to owners of the parent	3,390	3,488	(450)	(447)	2,940	3,041
Non-controlling interests	376	387	(120)	(119)	256	268
	3,766	3,875	(570)	(566)	3,196	3,309

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Summarised financial information on subsidiaries with non-controlling interests (cont'd)

(ii) Summarised statement of profit or loss

	Prousaha Sdn Bhd		Tekad Intisari Sdn Bhd		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Loss for the year	(109)	(17)	(4)	(4)	(113)	(21)
Loss attributable to owners of the parent	(98)	(15)	(3)	(3)	(101)	(18)
Loss attributable to non-controlling interest	(11)	(2)	(1)	(1)	(12)	(3)

(iii) Summarised statement of cash flows

	Prousaha Sdn Bhd		Tekad Intisari Sdn Bhd		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Net cash flows generated from/(used in) operating activities	15	(11,728)	(7)	(1)	8	(11,729)
Net cash flows (used in)/from financing activities	(3)	10,770	-	-	(3)	10,770
Net increase/(decrease) in cash and cash equivalents	12	(958)	(7)	(1)	5	(959)
Cash and cash equivalents at 1 April	3	961	47	48	50	1,009
Cash and cash equivalents at 31 March	15	3	40	47	55	50

8. INVESTMENT IN AN ASSOCIATE

	Group/Company 2015 RM'000	Group/Company 2014 RM'000
Unquoted shares outside Malaysia	375	375
Less: Accumulated impairment losses	(375)	(375)
	-	-

The Group has not recognised losses relating to the associate where its share of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the reporting date was RM451,000 (2014: RM304,000). The Group has no obligation in respect of these losses.

Details of the associate, which is incorporated in Indonesia is as follows:

Name of associate	Paid-up share capital RM'000	Proportion of ownership interest 2015 %	Proportion of ownership interest 2014 %	Principal activities
PT AP International *	750	50	50	Property development and property management

* Audited by a firm other than Ernst & Young

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

(i) Summarised statement of financial position

	PT AP International 2015 RM'000	PT AP International 2014 RM'000
Current assets representing total assets	8	66
Current liabilities representing total liabilities	910	674
Net liabilities attributable to owners of associate	(902)	(608)

8. INVESTMENT IN AN ASSOCIATE (CONT'D)

(ii) Summarised statement of profit or loss

	PT AP International	
	2015	2014
	RM'000	RM'000
Loss for the year	(302)	(410)

(iii) Reconciliation of net liabilities to the carrying amount of Group's interest in the associate

	PT AP International	
	2015	2014
	RM'000	RM'000
Group's share of net liabilities	(451)	(304)
Unrecognised losses	451	304
Carrying amount of Group's interest in associate	-	-

(iv) Group's share of results of associate	(151)	(205)

9. AVAILABLE-FOR-SALE INVESTMENTS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Available-for-sale financial assets				
Non-current				
Quoted shares in Malaysia	4,535	4,373	1,354	1,314
Quoted shares outside Malaysia	20	16	20	16
	4,555	4,389	1,374	1,330

Unrealised gain/(loss) on fair valuation on available-for-sale investments amounting to RM166,000 (2014: (RM907,000)) was taken to other comprehensive income.

In the previous financial year, realised gain on disposal of available-for-sale investments amounting to RM1,576,000 was taken to profit or loss (Note 21).

Dividend income amounting to RM6,000 (2014: RM66,000) was taken to profit or loss.

10. DEFERRED TAX

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
At 1 April 2014/2013	(49,576)	(66,271)	2	2
Effects of change in accounting policy for investment properties (Note 2.4)	(1,386)	(1,328)	-	-
As restated	(50,962)	(67,599)	2	2
Recognised in profit or loss (Note 26)	(139,049)	16,637	8	-
At 31 March 2015/2014	(190,011)	(50,962)	10	2
Presented after appropriate offsetting as follows:				
Deferred tax assets	2,495	2,136	15	9
Deferred tax liabilities	(192,506)	(53,098)	(5)	(7)
	(190,011)	(50,962)	10	2

10. DEFERRED TAX (CONT'D)

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

	Revaluation of land held for property development, investment properties and capital allowances RM'000	Provisions and unused tax losses RM'000	Total RM'000
Group			
Deferred tax assets:			
At 1 April 2014	-	2,136	2,136
Recognised in profit or loss (Note 26)	-	435	435
At 31 March 2015	-	2,571	2,571
At 1 April 2013	-	1,122	1,122
Recognised in profit or loss (Note 26)	-	1,014	1,014
At 31 March 2014	-	2,136	2,136
Deferred tax liabilities:			
At 1 April 2014, as previously reported	(51,712)	-	(51,712)
Effects of change in accounting policy for investment properties (Note 2.4)	(1,386)	-	(1,386)
As restated	(53,098)	-	(53,098)
Recognised in profit or loss (Note 26)	(139,484)	-	(139,484)
At 31 March 2015	(192,582)	-	(192,582)
At 1 April 2013, as previously reported	(67,393)	-	(67,393)
Effects of change in accounting policy for investment properties (Note 2.4)	(1,328)	-	(1,328)
As restated	(68,721)	-	(68,721)
Recognised in profit or loss (Note 26)	15,623	-	15,623
At 31 March 2014	(53,098)	-	(53,098)

10. DEFERRED TAX (CONT'D)

The components and movements of deferred tax assets and liabilities of the Group and the Company during the financial year prior to appropriate offsetting are as follows (cont'd):

	Provisions	
	2015 RM'000	2014 RM'000
Company		
Deferred tax assets:		
As at 1 April 2014/2013	9	14
Recognised in profit or loss (Note 26)	6	(5)
As at 31 March 2015/2014	15	9

	Capital allowance	
Company	2015 RM'000	2014 RM'000
Deferred tax liabilities:		
As at 1 April 2014/2013	(7)	(12)
Recognised in profit or loss (Note 26)	2	5
As at 31 March 2015/2014	(5)	(7)

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

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Unused tax losses	8,244	6,159	5,711	3,899
Unabsorbed capital allowances	104	60	37	24
	8,348	6,219	5,748	3,923

The unused tax losses of the Group and the Company are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the Malaysian taxation authority.

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and such items have arisen in subsidiaries that have a history of losses.

11. INVENTORIES OF COMPLETED PROPERTIES

	Group	
	2015	2014
	RM'000	RM'000
Inventories of completed properties, at cost	6,690	6,690
Transfer from property development costs (Note 4(b))	17,093	-
	23,783	6,690

Certain completed properties with carrying value of RM3,218,000 (2014: RM6,437,000) have been charged to financial institutions as securities for credit facilities granted to the Group, as disclosed in Note 17(c) (2014: Note 17(a) and (c)).

In the previous financial year, the amount of inventories recognised as an expense in cost of sales of the Group was RM32,000.

12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Current				
Trade receivables	21,938	47,033	-	-
Current				
Other receivables				
Due from previous stockbroking clients	8,225	8,288	-	-
Sundry receivables	22,124	6,386	600	592
Deposit for acquisition of land	-	1,990	-	-
Other deposits	2,871	685	8	8
Capital contribution pursuant to a joint project management agreement	-	2,564	-	-
Due from associate	1,004	768	1,004	768
Due from subsidiaries	-	-	11,582	52,798
	34,224	20,681	13,194	54,166
Less: Allowance for impairment	(7,251)	(7,158)	(1,443)	(1,207)
	26,973	13,523	11,751	52,959
Total trade and other receivables	48,911	60,556	11,751	52,959
Add: Deposits with licensed banks with maturity of more than 3 months (Note 14)	13,306	-	-	-
Add: Cash and cash equivalents (Note 14)	71,883	89,878	31,877	2,463
Total loans and receivables	134,100	150,434	43,628	55,422

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

The Group's and the Company's normal trade credit terms range from 7 to 60 days (2014: 14 to 60 days) and 60 days (2014: 60 days) respectively. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or a group of debtors.

Ageing analysis of trade receivables

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

	Group	
	2015 RM'000	2014 RM'000
Neither past due nor impaired	9,212	18,015
1 to 30 days past due not impaired	1,848	8,309
31 to 60 days past due not impaired	6,196	3,835
61 to 90 days past due not impaired	422	3,690
More than 91 days past due not impaired	4,260	13,184
	12,726	29,018
	21,938	47,033

The total trade receivables are unsecured in nature.

Receivables that are neither past due nor impaired

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

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM12,726,000 (2014: RM29,018,000) that are past due at the reporting date but not impaired and are unsecured in nature.

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Other receivables

Other receivables that are impaired

At the reporting date, the Group has provided an allowance of RM6,179,000 (2014: RM6,323,000) for impairment on the amount due from previous stockbroking clients and RM1,072,000 (2014: RM835,000) for impairment on sundry receivables. The Company has provided an allowance of RM1,004,000 (2014: RM768,000) for impairment on sundry receivables and RM439,000 (2014: RM439,000) for impairment on the amount due from a subsidiary.

The amounts due from previous stockbroking clients represent amounts receivable from margin clients and non-margin clients prior to the disposal of the Group's stockbroking business in prior years and are partly collateralised by quoted shares.

Sundry receivables are unsecured, non-interest bearing and repayable on demand.

Movements in allowance accounts

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
At 1 April 2014/2013	(7,158)	(6,638)	(1,207)	(659)
Bad debts recovered (Note 21)	60	59	-	-
Impairment losses (Note 25)	(236)	(579)	(236)	(548)
Reversal of impairment loss (Note 21)	83	-	-	-
At 31 March 2015/2014	(7,251)	(7,158)	(1,443)	(1,207)

(c) Due from subsidiaries and an associate

The amounts due from subsidiaries and an associate are non-trade in nature. These amounts are unsecured, non-interest bearing and are repayable on demand.

The amounts due from an associate are provided for in full.

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss are cash funds placed in an asset management company.

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash at banks and on hand	37,248	24,248	54	193
Short term deposits with:				
Licensed banks	12,376	64,630	-	2,270
Financial institutions	35,565	1,000	31,823	-
Total cash and bank balances	85,189	89,878	31,877	2,463
Less: Deposits with licensed banks with maturity of more than 3 months	(13,306)	-	-	-
Cash and cash equivalents	71,883	89,878	31,877	2,463

Included in cash at banks of the Group are amounts of RM18,581,000 (2014: RM14,187,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

Included in cash at banks of the Group is an amount of RM28,302,000 (2014: RM16,392,000) pledged to financial institutions for credit facilities granted to a number of subsidiaries as disclosed in Note 17(a), (b) and (e) (2014: Note 17(a), (b) and (e)).

Short term deposits with licensed banks of the Group amounting to RM10,349,000 (2014: RM59,581,000) are pledged to licensed banks for credit facilities granted to a number of subsidiaries as disclosed in Note 17(a) (2014: Note 17(a), (c) and (e)) and performance guarantees given to third parties.

The weighted average effective interest rates of short term deposits at the reporting date are as follows:

	Group		Company	
	2015 %	2014 %	2015 %	2014 %
Licensed banks	3.01	3.05	-	3.05
Financial institutions	3.30	3.03	3.35	-

The average maturities of short term deposits as at the end of the financial year are as follows:

	Group		Company	
	2015 Days	2014 Days	2015 Days	2014 Days
Licensed banks	85	34	-	7
Financial institutions	20	12	19	-

15. SHARE CAPITAL

	Number of ordinary shares of RM0.20 each 2015 '000	2014 '000	Amount 2015 RM'000	2014 RM'000
Group and Company:				
Authorised:				
At beginning/end of year	7,500,000	7,500,000	1,500,000	1,500,000
Issued and fully paid:				
At 1 April 2014/2013, at par value of RM0.20 each	975,315	975,315	195,063	195,063
Issued during the year:				
Share options exercised under ESOS	15,711	-	3,142	-
At 31 March 2015, at par value of RM0.20 each	991,026	975,315	198,205	195,063

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company residual assets.

Employee Share Option Scheme

The Asian Pac Holdings Berhad's Employee Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 31 October 2005. The ESOS was granted on 31 May 2006 and is to be in force for a period of five (5) years from the date of implementation. The ESOS granted in prior years expired on 30 May 2011. The tenure of the ESOS was extended for another 5 years to 12 April 2016.

The salient features of the ESOS are as follows:

(i) The ESOS Committee appointed by the Board of Directors to administer the ESOS, may from time to time grant options to eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company.

(ii) Subject to the discretion of the ESOS Committee, any employee whose employment has been confirmed and any directors of the Group, shall be eligible to participate in the ESOS.

(iii) The total number of ordinary shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued and paid-up share capital of the Company at any point of time during the tenure of the ESOS and out of which not more than 50% of the shares shall be allocated, in aggregate, to directors and senior management. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual director or employee who, either singly or collectively through his/her associates, holds 20% or more in the issued and paid-up capital of the Company.

15. SHARE CAPITAL (CONT'D)

Employee Share Option Scheme (cont'd)

(iv) The option price for each share shall be the price as determined by the ESOS Committee which is at a discount of not more than ten per cent (10%) or such maximum discount as may be permitted by the relevant regulatory authorities from the weighted average market price of the new ordinary shares for the five (5) market days preceding the date on which the option is granted, or the par value of the new ordinary shares of the Company of RM0.20 each, whichever is higher. The option price is payable only in cash.

(v) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the date of grant throughout the period of five (5) years from 31 May 2006. The employees' entitlements to the options are vested as soon as they become exercisable.

(vi) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company other than as may be specified in a resolution approving the distribution of dividends prior to their exercise dates.

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

The Company has granted ESOS twice to eligible employees of the Group as follows:

(a) On 19 March 2014, the Company granted 53,740,000 ESOS to eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company. At the closing date of 18 April 2014, 52,075,000 ESOS granted were accepted by employees of the Group.

Fair value of share options granted on 19 March 2014 is discussed below:

The fair value of share options granted during the previous financial year was estimated by an external valuer using the Black-Scholes formula, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions used are as follows:

	2014
Fair value of share options at grant date, 19 March 2014 (RM)	0.078
Weighted average share price (RM)	0.201
Expected volatility (%)	64.603%
Expected life (years)	2.069
Risk free rate (%)	4.061%

15. SHARE CAPITAL (CONT'D)

Employee Share Option Scheme (cont'd)

(b) On 21 October 2014, the Company granted 7,657,500 ESOS to eligible employees of the Group to subscribe for new ordinary shares of RM0.20 each in the Company. At the closing date of 20 November 2014, 7,300,000 ESOS granted were accepted by employees of the Group.

Fair value of share options granted on 20 October 2014 is discussed below:

The fair value of share options granted during the current financial year was estimated by an external valuer using the Black-Scholes formula, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions used are as follows:

	2015
Fair value of share options at grant date, 21 October 2014 (RM)	0.084
Weighted average share price (RM)	0.243
Expected volatility (%)	60.712%
Expected life (years)	1.4767
Risk free rate (%)	3.781%

The expected life of the options are not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

16. OTHER RESERVES

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
ESOS option reserve	3,411	-	3,411	-
Merger reserve	-	-	78,000	78,000
Fair value adjustment reserve	367	201	52	8
	3,778	201	81,463	78,008

Movements in reserves are shown in the respective statements of changes in equity.

16. OTHER RESERVES (CONT'D)

The nature and purpose of each category of reserve are as follows:

(a) ESOS option reserve

ESOS option reserve represents the equity-settled share options granted to the employees.

(b) Merger reserve

The premium on shares issued in respect of the acquisition of BH Builders Sdn. Bhd. in the financial year ended 31 March 1996 had been credited to the merger reserve in accordance with the relief granted by Section 60(4) of the Companies Act, 1965 in Malaysia.

(c) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of available-for-sale investments until they are disposed of or impaired.

17. LOANS AND BORROWINGS

		Group		Company	
		2015	2014	2015	2014
	Note	RM'000	RM'000	RM'000	RM'000
Current					
Secured:					
Floating rate term loans	(a)	10,144	26,174	-	-
Islamic financing	(b)	63,200	462	-	-
Revolving credit	(c)	54,000	18,000	50,000	-
Obligation under finance leases	(d)	520	270	105	-
Medium term notes	(e)	-	70,000	-	-
		127,864	114,906	50,105	-
Non-current					
Secured:					
Floating rate term loans	(a)	12,936	37,386	-	-
Islamic financing	(b)	234,442	55,213	-	-
Revolving credit	(c)	-	-	-	-
Obligation under finance leases	(d)	1,112	376	374	-
Medium term notes	(e)	-	79,383	-	-
		248,490	172,358	374	-
Total loans and borrowings		376,354	287,264	50,479	-

17. LOANS AND BORROWINGS (CONT'D)

The remaining maturities of the loans and borrowings are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
On demand and within 1 year	127,864	114,906	50,105	-
More than 1 year and less than 2 years	61,647	103,193	108	-
More than 2 years and less than 5 years	88,912	19,834	266	-
More than 5 years	97,931	49,331	-	-
	376,354	287,264	50,479	-

(a) The floating rate term loans are obtained for development projects and investment properties of the Company's wholly-owned subsidiary companies, BH Realty Sdn. Bhd., Prousaha (M) Sdn. Bhd. and AGB Properties Sdn. Bhd. These term loans bear an average interest rate of 5.27% to 6.27% (2014: 5.04% to 6.04%) per annum. These are secured by charges over the Group's freehold and leasehold properties as well as development costs as disclosed in Note 4(b), certain leasehold property (Note 5), certain short term deposits and bank balances (Note 14) and corporate guarantee provided by the holding company amounting to RM23,080,000 (2014: RM63,560,000).

(b) Islamic financing is obtained for refinancing of the investment properties of wholly-owned subsidiary, Syarikat Kapasi Sdn. Bhd., and working capital of a wholly-owned subsidiary, BH Realty Sdn. Bhd. and for partial financing of acquisition of investment properties by wholly-owned subsidiary, BH Builders Sdn. Bhd. from another wholly-owned subsidiary, Syarikat Kapasi Sdn. Bhd. It bears an average interest rate of 4.78% to 7.1% (2014: 4.60% to 6.05%) per annum. It is secured by charges over the Group's leasehold property as disclosed in Note 5, certain bank balances (Note 14), lease proceeds from an operating lease (Note 29) and corporate guarantee provided by the holding company amounting to RM305,947,000 (2014: RM55,675,000).

(c) Revolving credits are obtained for the working capital of the Company and the Company's wholly-owned subsidiary company, BH Realty Sdn. Bhd. The revolving credits bear an average interest rate of 5.48% to 7.79% (2014: 5.20% to 6.54%) per annum. These are secured by charges over the Group's long term leasehold land and building as disclosed in Note 3(b), long term leasehold land held for property development as disclosed in Note 4(a), certain inventory of completed property (Note 11), certain short term deposits (Note 14) and corporate guarantee provided by the holding company amounting to RM4,000,000 (2014: RM18,000,000).

17. LOANS AND BORROWINGS (CONT'D)

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Future minimum lease payments:				
Within and up to 1 year	576	295	118	-
After 1 and up to 2 years	404	264	118	-
After 2 and up to 5 years	781	126	274	-
	1,761	685	510	-
Less: Future finance charges	(129)	(39)	(31)	-
Present value of future minimum lease payments	1,632	646	479	-
Present value of finance lease liabilities:				
Within and up to 1 year	520	270	105	-
After 1 and up to 2 years	367	254	108	-
After 2 and up to 5 years	745	122	266	-
Present value of finance lease liabilities	1,632	646	479	-
Analysed as:				
Due within 12 months	520	270	105	-
Due after 12 months	1,112	376	374	-
	1,632	646	479	-

(d) The hire purchase payables bear interest at flat rates of between 2.32% to 3.25% (2014: 2.32% to 3.25%) per annum.

These obligations are secured by a charge over the leased assets (Note 3(d)).

(e) In previous financial years, Syarikat Kapasi Sdn. Bhd., a wholly-owned subsidiary of the Company issued RM200,000,000 Medium Term Notes ("MTN") under a Financial Guarantee Insurance Policy Issuance Facility from Danajamin Nasional Berhad to finance the construction and development cost of KK Time Square 2 project.

The outstanding MTNs have a tenure of Nil years (2014: 3.2 to 3.5 years) and are subject to coupon rate of 3.74% to 4.15% (2014: 3.74% to 4.15%) per annum and guarantee fee of 1.5% (2014: 1.5%) per annum.

The facility was fully redeemed in the current financial year.

18. TRADE AND OTHER PAYABLES

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Current				
Trade payables				
Third parties	47,869	60,779	-	-
Trade accruals	90,903	5,498	-	-
	138,772	66,277	-	-
Other payables				
Deposits from property purchasers	9,217	5,247	-	-
Other deposits	12,081	2,491	-	-
Interest payables	3,245	2,850	742	409
Accruals	1,939	1,862	134	106
Amount due to shareholder	-	36,331	-	36,331
Amounts due to subsidiaries	-	-	26,050	56,462
Others	9,632	4,952	44	7
	36,114	53,733	26,970	93,315
	174,886	120,010	26,970	93,315
Non-current				
Retention sum payable	13,142	11,976	-	-
Total trade and other payables	188,028	131,986	26,970	93,315
Add: Loans and borrowings (Note 17)	376,354	287,264	50,479	-
Total financial liabilities carried at amortised cost	564,382	419,250	77,449	93,315

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 30 to 60 days (2014: 30 to 60 days).

The amounts due to subsidiaries by the Company are non-trade in nature. These amounts are unsecured, non-interest bearing and are repayable on demand.

19. REVENUE

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Sale of development properties	225,215	279,929	-	-
Car park operations	3,244	2,971	-	-
Interest income	332	18	751	324
Rental income from:				
Land and office properties	1,200	1,159	-	-
Land and retail property	184	-	-	-
Dividend income from:				
Subsidiaries	-	-	8,900	54,000
Equity investment, quoted in Malaysia	6	66	-	-
Management fees from subsidiaries	-	-	1,647	1,323
Others	88	48	-	-
	230,269	284,191	11,298	55,647

20. COST OF SALES

	Group	
	2015 RM'000	2014 RM'000
Property development costs (Note 4(b))	169,618	211,939
Car park operations	1,139	1,024
Cost of inventories	-	32
Others	41	103
	170,798	213,098

21. OTHER INCOME

	Group 2015 RM'000	Group 2014 RM'000 (Restated)	Company 2015 RM'000	Company 2014 RM'000 (Restated)
Administration charges	222	264	-	-
Bad debts recovered (Note 12(b))	60	59	-	-
Realised gain on changes in fair value of quoted investments upon disposal (Note 9)	-	1,576	-	-
Gain on changes in fair value of investment properties (Note 5)	519,359	1,860	-	-
Net gain on disposal of property, plant and equipment	154	-	80	-
Gain on disposal of quoted investments (Note 9)	-	146	-	-
Other interest income	2,399	1,578	-	-
Overdue interest receivable	493	67	-	-
Purchasers' deposit forfeited	532	171	-	-
Gain on fair value adjustments of financial assets at fair value through profit or loss	290	-	43	-
Rental income	37	48	-	-
Reversal of impairment loss on:				
- other receivables (Note 12(b))	83	-	-	-
- investment in subsidiaries (Note 7)	-	-	52,355	27,890
Unwinding of discount	285	95	-	-
Miscellaneous income	237	35	-	-
	524,151	5,899	52,478	27,890

22. EMPLOYEE BENEFITS EXPENSE

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Wages and salaries	11,756	8,530	1,948	1,790
Contributions to defined contribution plan	1,590	1,179	417	377
Social security contributions	62	47	2	2
Short term accumulating compensated absence	191	1	26	(22)
ESOS option cost	4,057	-	220	-
Other employee benefits	360	430	28	36
	18,016	10,187	2,641	2,183

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM3,346,000 (2014: RM2,271,000) and RM1,775,000 (2014: RM1,449,000) respectively as further disclosed in Note 23.

23. DIRECTORS' REMUNERATION

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Directors of the Company:				
Executive directors' remuneration:				
Salaries and other emoluments	3,346	2,271	1,775	1,449
Non-executive directors' remuneration (Note 25):				
Fees and other emoluments	791	216	426	96
Total directors' remuneration	4,137	2,487	2,201	1,545

The details of the remuneration receivable by directors of the Group during the year are as follows:

	Salary and other emoluments RM'000	Fees RM'000	Bonus RM'000	ESOS RM'000	Total RM'000
At 31 March 2015					
Executive					
Dato' Mustapha bin Buang	1,323	-	320	132	1,775
Yu Tat Loong *	998	-	280	293	1,571
	2,321	-	600	425	3,346
Non-executive					
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas *	-	120	-	245	365
Dato' Mohamed Salleh bin Bajuri	-	48	-	167	215
Tan Siew Poh	-	48	-	163	211
	-	216	-	575	791
	2,321	216	600	1,000	4,137

23. DIRECTORS' REMUNERATION (CONT'D)

	Salary and other emoluments RM'000	Fees RM'000	Bonus RM'000	ESOS RM'000	Total RM'000
At 31 March 2014					
Executive					
Dato' Mustapha bin Buang	1,169	-	280	-	1,449
Yu Tat Loong *	655	-	167	-	822
	1,824	-	447	-	2,271
Non-executive					
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas *	-	120	-	-	120
Dato' Mohamed Salleh bin Bajuri	-	48	-	-	48
Tan Siew Poh	-	48	-	-	48
	-	216	-	-	216
	1,824	216	447	-	2,487

* The above director's remuneration was paid by subsidiary companies.

The number of directors of the Company whose total remuneration during the financial year fall within the following bands are analysed below:

	2015	2014
Executive directors:		
RM800,001 - RM850,000	-	1
RM1,400,001 - RM1,450,000	-	1
RM1,550,001 - RM1,600,000	1	-
RM1,750,001 - RM1,800,000	1	-
Non-executive directors:		
Below RM50,000	-	2
RM100,001 - RM150,000	-	1
RM200,001 - RM250,000	2	-
RM350,001 - RM400,000	1	-

24. FINANCE COSTS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
Hire purchase	56	38	10	-
Bank borrowings	21,858	15,302	3,696	-
Loan from shareholder	315	410	315	410
	22,229	15,750	4,021	410
Less: Interest expense capitalised under:				
Property development costs (Note 4)	(2,324)	(3,695)	-	-
Investment properties (Note 5)	(13,712)	(9,329)	-	-
	6,193	2,726	4,021	410

25. PROFIT BEFORE TAX

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

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000 (Restated)	RM'000	RM'000 (Restated)
Employee benefits expense (Note 22)	18,016	10,187	2,641	2,183
Non-executive directors' remuneration (Note 23)	791	216	426	96
Auditors' remuneration				
- statutory audit	229	177	49	44
- other services	7	7	7	7
- underprovision in prior year	16	1	3	-
Depreciation				
- property, plant and equipment (Note 3)	2,429	1,368	144	23
Property, plant and equipment written off (Note 3)	158	1	-	-
Impairment of:				
- quoted investments (Note 9)	-	364	-	120
- investment in subsidiaries	-	-	-	37,388
- intangible asset (Note 6)	2,479	4,178	-	-
- other receivables (Note 12(b))	236	579	236	548
Provision for liquidated ascertained damages	4,869	-	-	-
Direct operating expenses attributable to income generating investment properties (Note 5)	106	103	-	-
Rental of land and buildings	1,126	808	-	-

26. INCOME TAX EXPENSE/(BENEFIT)

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000 (Restated)
Income tax:				
Current year tax expense	13,049	19,227	-	-
Under/ (over)provision in prior years	167	(52)	-	-
	13,216	19,175	-	-
Deferred tax (Note 10):				
Relating to origination and reversal of temporary differences	140,231	(5,310)	(9)	-
Effects of change in tax rate	(1,157)	-	-	-
(Over)/underprovision in prior years	(25)	(11,327)	1	-
	139,049	(16,637)	(8)	-
Total income tax expense/(benefit)	152,265	2,538	(8)	-

Income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the year.

The domestic statutory tax rate will be reduced to 24% in year of assessment 2016. The computation of deferred tax as at 31 March 2015 has reflected this change.

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2015 and 2014 are as follows:

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000 (Restated)
Profit before tax	528,844	43,368	53,141	42,207
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	132,211	10,842	13,285	10,552
Income not subject to tax	(123,890)	(943)	(15,532)	(20,554)
Effects of change in tax rate	(1,157)	-	-	-
Expenses not deductible for tax purposes	64	3,481	1,782	9,699
Utilisation of previously unrecognised tax losses	(15)	-	-	-
Deferred tax liabilities recognised	144,352	-	-	-
Deferred tax assets not recognised in respect of current year's unutilised tax losses and unabsorbed capital allowances	547	537	456	303
Tax on prepayment received	11	-	-	-
Under/(over)provision of tax expense in prior years	167	(52)	-	-
(Over)/underprovision of deferred tax in prior years	(25)	(11,327)	1	-
Tax expense/(benefit) for the year	152,265	2,538	(8)	-

26. INCOME TAX EXPENSE/(BENEFIT) (CONT'D)

Tax savings during the financial year arising from:

	Group 2015 RM'000	Group 2014 RM'000
Utilisation of current year tax losses	-	3,956
Utilisation of tax losses brought forward from previous years	15	-

27. EARNINGS PER SHARE

(a) Basic

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year held by the Company.

	Group 2015	Group 2014 (Restated)
Profit net of tax, attributable to owners of the parent used in the computation of basic earnings per share (RM'000)	376,591	40,833
Weighted average number of ordinary shares in issue ('000)	985,792	975,315
Basic earnings per share attributable to ordinary equity holders of the Company (sen)	38.2	4.2

27. EARNINGS PER SHARE (CONT'D)

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the current financial year have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	Group	
	2015	2014 (Restated)
Profit for the year attributable to ordinary equity holders of the Company (RM'000)	376,591	40,833
Weighted average number of ordinary shares in issue ('000)	985,792	975,315
Effects of dilution:		
Assumed exercise of share options granted under ESOS #	12,325	-
Adjusted weighted average number of ordinary shares in issue and issuable	998,117	975,315
Diluted earnings per share (sen)	37.8	4.2

\# The assumed exercise of ESOS at average market price for the current financial year is treated as an issue of ordinary shares for no consideration.

28. DIVIDENDS

	RM'000
Recognised during the year:	
In respect of the financial year ended 31 March 2014:	
Special single tier dividend of RM0.002 per ordinary share on 990,171,160 ordinary shares, approved on 25 September 2014 and paid on 13 November 2014.	1,980

The directors have proposed a first and final single tier dividend of 0.3 sen per ordinary share of RM0.20 each in respect of the financial year ended 31 March 2015. The proposed first and final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company. The financial statements of the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2016.

29. OPERATING LEASE COMMITMENTS

(a) Group as lessor

On 15 December 2004, the Group entered into a Lease Agreement ("the Agreement") with Magnificent Diagraph Sdn. Bhd. ("MDSB"), a company incorporated in Malaysia, for the lease of one long term leasehold land measuring approximately 6.265 acres as described in Note 5 to the financial statements.

Amongst the salient terms of the Agreement are as follows:

(a) the Group agrees to lease the long term leasehold land to MDSB for a period of thirty (30) years commencing within one (1) month from the date at which all conditions precedent in the Agreement have been fulfilled ("the Commencement Date");

(b) The lease is provided for the purpose of the erection and construction and subsequent use by MDSB thereon for a hypermarket facility;

(c) MDSB shall pay to the Group an amount of RM474,846 as deposit;

(d) The amount of rental payable by MDSB to the Group shall be calculated as follows:

  (i) RM0.145 per square foot per month during the construction period;

  (ii) RM0.29 per square foot per month commencing from the day immediately following the expiry of the construction period to the expiry of a period of three (3) years commencing from the Commencement Date; and

  (iii) Thereafter, at the end of every period of three (3) years each, the first of which shall commence from the Commencement Date, the rental shall be increased at the rate of seven per centum (7%) of the rental of the preceding three (3) years period.

(e) Notwithstanding anything in the Agreement, MDSB shall be entitled to lawfully terminate the Agreement at any time prior to the expiry of three (3) years each, the first such three (3) years period to commence from the date of the Agreement, without compensation or liability to the Group and the Group shall refund MDSB the deposit as described in item (c) above.

On 8 November 2005, all conditions precedent in the Agreement were fulfilled.

The lease proceeds from operating lease have been charged to financial institution as securities for the facilities granted to the Group, as disclosed in Note 17(b).

i) Future minimum rentals receivable under non-cancellable operating lease at the reporting date are as follows:

	Group 2015 RM'000	Group 2014 RM'000
Not later than 1 year	28,480	635
Later than 1 year but not later than 5 years	59,625	-
	88,105	635

29. OPERATING LEASE COMMITMENTS (CONT'D)

(a) Group as lessor (cont'd)

ii) The Group has entered into commercial property leases on its property, plant and equipment and investment properties. These leases have remaining lease terms of between one and two years with renewal option included in the contracts.

Future minimum rentals receivable at the reporting date are as follows:

	Group	
	2015 RM'000	2014 RM'000
Not later than 1 year	73	89
Later than 1 year but not later than 2 years	17	35
	90	124

(b) Group as lessee

The Group has entered into commercial leases with third parties for the rental of office and residential premises. The leases have a tenure of 1 to 3 years with renewal option included in the contracts.

Future minimum rentals payable at the reporting date are as follows:

	Group	
	2015 RM'000	2014 RM'000
Not later than 1 year	1,288	980
Later than 1 year but not later than 5 years	1,260	244

30. CAPITAL COMMITMENT

	Group	
	2015 RM'000	2014 RM'000
Capital expenditure		
Approved and contracted for:		
Acquisition of freehold land (Note 32)	-	15,761

31. CONTINGENT LIABILITIES

Upon adoption of FRS 139, the financial guarantees provided to financiers for related companies are no longer disclosed as contingent liabilities but would instead be recorded as financial liabilities if considered likely to crystallise. The Group has assessed the financial guarantee contracts and concluded that the financial impact of the guarantees are not material.

32. SIGNIFICANT EVENT

(a) Proposed acquisition by BH Builders Sdn. Bhd.

The Company had announced on 19 May 2004, the Proposed Acquisition of 91.367 acres of freehold land held under H.S. (D) 28646, PT 4021, Mukim of Semenyih, District of Hulu Langat, state of Selangor ("Said Land") by BH Builders Sdn. Bhd. ("BH Builders"), a wholly-owned subsidiary of the Company, from Vee Seng Development Sdn. Bhd. for a total cash consideration of RM17,511,765. The completion of the Proposed Acquisition is subject to the conditions precedent, which stated that amongst others, the withdrawal or removal of the Private Caveats from the said land within eighteen (18) months from the date of the Sale and Purchase Agreement or such time as may be extended by BH Builders at its absolute discretion.

The period for the withdrawal or removal of the Private Caveats was first extended on 18 November 2005 for a period of one (1) year to expire on 18 November 2006. Further extensions were made on 1 November 2006, 8 October 2007, 10 October 2008 and 2 October 2009 for another one year each.

On 12 October 2010, the Group had exercised its discretion to extend the time frame indefinitely for the private caveat to be withdrawn or removed until the acquisition takes place.

On 31 January 2012, the High Court at Shah Alam had decided in favour of Vee Seng Development Sdn. Bhd. and BH Builders on the basis that the said private caveat had been wrongfully lodged over the Said Land by the caveator and ordered for the said private caveat to be removed and cancelled accordingly. This had been further reaffirmed by the decision of the Court of Appeal on 24 April 2015 whereby the appeal filed by the caveator has been dismissed with cost. The Proposed Acquisition was completed in the current financial year.

33. RELATED PARTY DISCLOSURES

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

	Group 2015 RM'000	Group 2014 RM'000
Rental paid/payable to a company with common director	319	106
Sales of exterior shops by a related company to other related companies	37,145	23,247

	Company 2015 RM'000	Company 2014 RM'000
Interest on amount due to shareholder	438	410
Loan interest charged to a subsidiary	419	305
Gross dividend income from subsidiaries	8,900	54,000
Management fees charged to subsidiaries	1,647	1,323

The above transactions with related companies were transacted at terms and conditions which were mutually agreed between the parties concerned.

Related companies refer to companies within the Asian Pac Holdings Group.

(b) Compensation by key management personnel

The Company defines key management personnel as its directors whose remunerations are detailed in Note 23.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

Group

	2015		2014	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Financial liabilities:				
Loans and borrowings (non-current)				
- Floating rate term loans	12,936	12,542	37,386	37,519
- Islamic financing	234,442	229,936	55,213	49,779
- Obligation under finance leases	1,112	1,112	376	376
- Medium term notes	-	-	79,383	79,273

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Determination of fair value

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

	Note
Trade and other receivables	12
Loans and borrowings (current)	17
Trade and other payables	18

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

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

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

Finance lease obligations

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

Quoted equity instruments

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

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default;
- The estimated loss exposure if the party guaranteed were to default.

The fair value of all unexpired financial guarantees issued by the Company were deemed nil and were not recognised as financial liabilities, as based on the current and past repayment trends of the guaranteed parties, the likelihood of the guaranteed party defaulting within the guaranteed period were assessed to be remote (Note 17).

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment properties.

Involvement of external valuers is decided upon annually by the senior management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Senior management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case. At each reporting date, the senior management analyses the movements in the values of assets which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Senior management, in conjunction with the Group's external valuers, also compare each of the changes in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

As at 31 March 2015, the Group and the Company held the following assets carried at fair value in the statements of financial position:

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Fair value hierarchy (cont'd)

	2015 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
Assets measured at fair value				
Financial assets at fair value through profit or loss	12,221	12,221	-	-
Available-for-sale financial assets:				
Quoted shares in Malaysia	4,535	4,535	-	-
Quoted shares outside Malaysia	20	20	-	-
Investment properties	1,133,136	-	225,155	907,981
Company				
Assets measured at fair value				
Financial assets at fair value through profit or loss	2,043	2,043	-	-
Available-for-sale financial assets:				
Quoted shares in Malaysia	1,354	1,354	-	-
Quoted shares outside Malaysia	20	20	-	-

	2014 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
Assets measured at fair value				
Available-for-sale financial assets:				
Quoted shares in Malaysia	4,373	4,373	-	-
Quoted shares outside Malaysia	16	16	-	-
Investment properties	70,410	-	70,410	-
Company				
Assets measured at fair value				
Available-for-sale financial assets:				
Quoted shares in Malaysia	1,314	1,314	-	-
Quoted shares outside Malaysia	16	16	-	-

During the financial years ended 31 March 2015 and 31 March 2014, there were no known transfers between Level 1 and Level 2 fair value measurements.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) 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 cash and cash equivalents), 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 to ensure that the Group's exposure to bad debts is kept to the minimum.

<u>Exposure to credit risk</u>

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

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- Corporate guarantee provided by the Company to banks or financial institutions on subsidiaries' bank loans and borrowings.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 12 to the financial statements.

<u>Credit risk concentration profile</u>

The Group and the Company determine concentration of credit risk by monitoring the business segment of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the reporting date are as follows:

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Group

	2015		2014	
	RM'000	% of total	RM'000	% of total
By business segments:				
Property development	21,533	98.2%	46,825	99.6%
Car park operations	203	0.9%	208	0.4%
Mall operation	202	0.9%	-	0.0%
	21,938	100%	47,033	100%

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and the Company's exposures to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. The Group and the Company's objectives are to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

At the reporting date, approximately 34% (2014: 40%) of the Group's loans and borrowings (Note 17) will mature in less than one year based on the carrying amount reflected in the financial statements.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

2015	On demand or within one year RM'000	More than one year less than five years RM'000	Over five years RM'000	Total RM'000
Group				
Financial liabilities:				
Trade and other payables	174,886	14,087	-	188,973
Loans and borrowings	150,154	199,851	119,936	469,941
Total undiscounted financial liabilities	325,040	213,938	119,936	658,914
Company				
Financial liabilities:				
Trade and other payables, excluding financial guarantees	26,970	-	-	26,970
Loans and borrowings	50,344	393	-	50,737
Total undiscounted financial liabilities*	77,314	393	-	77,707
2014				
Group				
Financial liabilities:				
Trade and other payables	120,010	12,637	-	132,647
Loans and borrowings	125,489	147,866	63,320	336,675
Total undiscounted financial liabilities	245,499	160,503	63,320	469,322
Company				
Financial liabilities:				
Trade and other payables, excluding financial guarantees	93,315	-	-	93,315
Total undiscounted financial liabilities*	93,315	-	-	93,315

* At the reporting date, the counterparty to the financial guarantees do not have a right to demand cash as the default has not occurred. Accordingly, financial guarantees under the scope of FRS 139 are not included in the above maturity profile analysis.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk

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

The Group's and the Company's exposure to interest rate risk arise primarily from the short term deposits and loans and borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax arising as a result of lower/higher interest income on short term deposits and interest expense on floating rate loans and borrowings would have the following effects:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Profit net of tax	(251)	20	(14)	2

(d) Market price risk

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

The Group and the Company are exposed to equity price risk arising from investment in quoted equity instruments in Malaysia and Singapore. These instruments are classified as available-for-sale financial assets. The Group and the Company do not have exposure to commodity price risk.

The Group's and the Company's exposure to market price risk are minimal as the Group's and the Company's investment in quoted equity instruments are small compared to its total assets.

(e) Foreign currency risk

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

The Company has transactional currency exposure arising from amount due from an associate that is denominated in Indonesian Rupiah. The Company is also exposed to currency translation risk arising from its net investments in foreign operations.

The Company's exposure to foreign currency risk is minimal.

36. 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 to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or expansion plans of the Group. No changes were made in the objectives, policies or processes during the years ended 31 March 2015 and 31 March 2014.

The Group's policy is to maintain a sustainable gearing ratio to meet its existing requirements taking into consideration the facilities agreements entered into by the Group. The Group includes within the net debt, loans and borrowings, hire purchase liabilities, trade and other payables, less other investment, short term deposits, cash and cash equivalents. Capital refers to equity attributable to owners.

	Note	Group		Company	
		2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000 (Restated)
Loans and borrowings	17	376,354	287,264	50,479	-
Trade and other payables	18	188,028	131,986	26,970	93,315
Less: Short term deposits	14	(13,306)	-	-	-
Cash and cash equivalents	14	(71,883)	(89,878)	(31,877)	(2,463)
Net debt		479,193	329,372	45,572	90,852
Equity attributable to the owners of the parent, representing total capital		791,672	409,121	420,149	361,162
Capital and net debt		1,270,865	738,493	465,721	452,014
Gearing ratio		38%	45%	10%	20%

37. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

(i) Investment holding - holding of quoted and unquoted shares for capital investment purposes;
(ii) Property development - development of residential and commercial properties;
(iii) Property investment - investment in properties;
(iv) Car park operations - operation of car park; and
(v) Mall operation - mall leasing and operation.

Except as indicated above, no operating segments have been aggregated to form the above reportable segments.

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, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments.

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

37. SEGMENT INFORMATION (CONT'D)

	Investment holding and others 2015 RM'000	Investment holding and others 2014 RM'000	Property development 2015 RM'000	Property development 2014 RM'000	Property investment 2015 RM'000	Property investment 2014 RM'000 (Restated)	Car park operations 2015 RM'000	Car park operations 2014 RM'000	Mall operations 2015 RM'000	Mall operations 2014 RM'000	Adjustments and eliminations 2015 RM'000	Adjustments and eliminations 2014 RM'000	Note	Consolidated 2015 RM'000	Consolidated 2014 RM'000 (Restated)
Revenue:															
External customers	339	84	225,302	279,976	1,200	1,160	3,244	2,971	184	-	-	-		230,269	284,191
Inter-segment	29,567	55,635	37,145	23,248	7	-	-	-	-	-	(66,719)	(78,883)	A	-	-
Total revenue	29,906	55,719	262,447	303,224	1,207	1,160	3,244	2,971	184	-	(66,719)	(78,883)		230,269	284,191
Results:															
Interest income	751	18	2,097	1,578	-	-	-	-	-	-	(117)	-		2,731	1,596
Dividend income	27,506	54,066	-	-	-	-	-	-	-	-	(27,500)	(54,000)		6	66
Depreciation	175	43	1,603	746	72	-	579	579	-	-	-	-		2,429	1,368
Other non-cash expenses	743	-	4,048	2	-	-	-	-	-	-	-	-	B	4,791	2
Impairment of assets	236	667	2,479	4,454	-	-	-	-	-	-	-	-	C	2,715	5,121
Segment profit/(loss)	51,340	38,304	43,964	68,503	519,184	1,571	1,526	1,262	(4,797)	-	(82,373)	(66,272)		528,844	43,368
Assets and liabilities:															
Additions to non-current assets	744	13	5,138	310	134,673	58,413	-	-	-	-	-	(34,608)		140,555	24,128
Segment assets	45,321	11,795	250,895	260,443	1,148,455	531,222	29,749	30,328	2,402	-	73,218	100,139	D	1,550,040	933,927
Segment liabilities	114,208	36,940	573,104	167,465	13,545	264,196	870	4,274	13,761	-	42,624	51,663	E	758,112	524,538

37. SEGMENT INFORMATION (CONT'D)

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

A Inter-segment revenues are eliminated upon consolidation.

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

	Note	2015 RM'000	2014 RM'000
ESOS option costs		4,632	-
Loss on disposal of property, plant and equipment		1	1
Property, plant and equipment written off	25	158	1
		4,791	2

C Impairment of assets consist of:

	Note	2015 RM'000	2014 RM'000
Impairment of intangible asset	6	2,479	4,178
Impairment on quoted investment	25	-	364
Impairment on other receivables	25	236	579
		2,715	5,121

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

	2015 RM'000	2014 RM'000
Land held for property development	53,645	53,645
Intangible asset	14,796	17,276
Property development costs	14,583	72,249
Trade and other receivables	(4,153)	28,840
Investment properties	(13,276)	(73,042)
Inventories for completed properties	7,623	1,171
	73,218	100,139

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

	2015 RM'000	2014 RM'000
Other creditors	(4,153)	-
Deferred tax liabilities	46,777	51,663
	42,624	51,663

Geographical segments

No geographical segment is prepared as the Group operates only in Malaysia.

38. COMPARATIVES

During the financial year, in relation to the adoption of fair value model for investment properties, the Company made a reassessment of the recoverable amounts of its investment in subsidiaries. The effects of such reassessment have been reflected in the statement of financial position and statement of profit or loss as follows:

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Company			
Statement of financial position			
31 March 2014			
Investments in subsidiaries	373,220	23,629	396,849
Retained earnings	62,256	23,629	85,885
31 March 2013			
Investments in subsidiaries	382,317	24,030	406,347
Retained earnings	19,648	24,030	43,678
Statement of profit or loss			
31 March 2014			
Other income	28,291	(401)	27,890

39. SUPPLEMENTARY INFORMATION

The breakdown of the retained earnings or accumulated losses of the Group and of the Company as at 31 March 2015 into realised and unrealised profits or losses is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2012 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2015 RM'000	2014 RM'000 (Restated)	2015 RM'000	2014 RM'000 (Restated)
Total retained earnings				
- Unrealised (accumulated losses)/retained earnings	395,086	20,931	(994)	(766)
- Realised retained earnings	192,186	118,126	138,048	86,651
	587,272	139,057	137,054	85,885
Add : Consolidation adjustments	(1,010)	72,594	-	-
Total retained earnings	586,262	211,651	137,054	85,885

LIST OF PROPERTIES HELD
AS AT 31 MARCH 2015

Location	Description	Existing Use	Tenure	Age of Building	Area	Net Book Value RM'000	Acquistion/ Completion/ Valuation Date
Title No. TL 17533505 Kota Kinabalu, Sabah	KKTS 2 - Mall & Exterior Shops	Investment property	Leasehold expires : 31/12/2076	N/A	15.45 acres	996,607	30/03/2015
HSD 28646, Lot No. PT 4021, Mukim of Semenyih, District of Ulu Langat, Selangor	Land	Investment property	Freehold	NA	94.06 acres	63,700	31/03/2015
H.S. (D) 157186, PT 23762, Mukim Labu, Daerah Seremban, Negeri Sembilan	Land	Vacant	Leasehold expires : 9/11/2102	N/A	399.84 acres	54,068	23/03/2006
PN 39178, Lot 63579 Mukim of Batu, Wilayah Persekutuan	Land	For lease	Leasehold expires : 10/01/2087	N/A	6.23 acres	43,000	31/03/2015
Title No. TL 17533505 Kota Kinabalu, Sabah	Land	Property under development	Lesehold expires : 31/12/2076	NA	15.45 acres	41,786	27/10/1997
PT 298, HS (D) 39196 Mukim Bandar Kundang, Gombak, Selangor	Land	Vacant	Leasehold expires : 24/01/2101	N/A	49.97 acres	28,300	30/03/2015
H.S. (D) 153647, PT 43498 Mukim Sungai Buloh, Petaling, Selangor	Land	Land held for development	Leasehold Expires : 29/10/2100	N/A	6.47 acres	19,879	26/03/2013
Title No. TL 17540500 Kota Kinabalu, Sabah	Ground and basement carpark	Carpark operations	Leasehold Expires : 31/12/2080	7	114,039 sq. ft.	19,296	24/03/2008
H.S. (D) 501497, PTB 23364, Bandar Johor Bahru, Mukim Johor, Johor	Land	Property under development	Freehold	N/A	2.8 acres	18,675	23/03/2006
PN 39177, Lot No. 63582 Mukim of Batu, Wilayah Persekutuan	Land	Property under development	Leasehold expires : 10/01/2087	N/A	3 acres	13,950	11/01/1988

ANALYSIS OF EQUITY SHAREHOLDINGS
AS AT 31 JULY 2015

Authorized Share Capital	: RM1,500,000,000
Issued and paid-up capital	: RM198,497,922.00
Class of Shares	: Ordinary Shares of RM0.20 each
Voting Rights	: One vote per share

DISTRIBUTION OF SHAREHOLDERS/DEPOSITORS

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 – 99	211	1.182	4,126	0.000
100 – 1,000	3,609	20.212	3,469,839	0.350
1,001 – 10,000	9,220	51.635	44,850,312	4.519
10,001 – 100,000	4,060	22.737	150,305,590	15.144
100,001 – 49,624,479	754	4.223	693,045,943	69.829
49,624,480 and above	2	0.011	100,813,800	10.158
Total	**17,856**	**100.000**	**992,489,610**	**100.000**

LIST OF THIRTY LARGEST SHAREHOLDERS/DEPOSITORS

	Name	No. of Shares Held	% of Issued Capital
1.	Affin Hwang Nominees (Tempatan) Sdn Bhd HDM Capital Sdn Bhd for Mah Sau Cheong	50,813,800	5.120
2.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	50,000,000	5.038
3.	South Malaysia Industries Berhad	48,344,000	4.871
4.	Mah Sau Cheong	44,604,869	4.494
5.	Dato' Mustapha Bin Buang	29,724,485	2.995
6.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	23,550,000	2.373
7.	Seraya Kota Sdn Bhd	22,765,000	2.294
8.	Bandar Sri Tujuh Sdn Bhd	22,060,000	2.223
9.	HSBC Nominees (Asing) Sdn Bhd Exempt An For The Hongkong and Shanghai Banking Corporation Limited	15,506,200	1.562
10.	Puncak Darul Naim Sdn Bhd	13,903,200	1.401
11.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	13,100,000	1.320
12.	Puncak Darul Naim Sdn Bhd	12,535,575	1.263
13.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd	10,005,266	1.008

ANALYSIS OF EQUITY SHAREHOLDINGS
AS AT 31 JULY 2015

	Name	No. of Shares Held	% of Issued Capital
14.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Rozanita Binti Zainal Abidin	9,000,000	0.907
15.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Wee Hian @ Mah Siew Kung	7,703,100	0.776
16.	Kenanga Nominees (Tempatan) Sdn Bhd KKC for Kwan Chu Wah	7,349,855	0.741
17.	Leow Soon Seng	6,700,000	0.675
18.	Tan Leng Pee Sendirian Berhad	5,894,300	0.594
19.	Taman Bunga Merlimau Sdn Bhd	5,782,000	0.583
20.	MP Factors Sdn Bhd	5,040,000	0.508
21.	Chin Lai Kuen	5,000,000	0.504
22.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd	4,690,000	0.473
23.	Citigroup Nominees (Asing) Sdn Bhd Exempt An For OCBC Securities Private Limited	4,594,399	0.463
24.	Leow Pek Fong @ Liew Pek Fong	4,575,000	0.461
25.	Chin Khee Kong & Sons Sdn Bhd	4,520,000	0.455
26.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yeong Sin Khong	4,512,900	0.454
27.	Lew Soon Kiak	4,383,500	0.442
28.	Lim Boon Seng	4,100,000	0.413
29.	Mah Siew Seong	4,070,000	0.410
30.	Tan Hon Kiat @ Tan Hoon Siong	4,035,000	0.407
		448,862,449	45.225

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDER

	No. of Shares Held			
	Direct	%	Indirect	%
Mah Sau Cheong	182,068,669	18.34	*5,753,000	0.58

DIRECTORS' INTEREST IN SHARES

	No. of Shares Held			
	Direct	%	Indirect	%
Tan Sri Dato' Seri Hj Megat Najmuddin bin Datuk Seri Dr Hj Megat Khas	-	-	-	-
Dato' Mustapha Bin Buang	32,850,985	3.31	*800,000	0.08
Dato' Mohamed Salleh Bin Bajuri	-	-	-	-
Tan Siew Poh	-	-	-	-
Dr. Yu Tat Loong	-	-	-	-

Note:
* Deemed interest by virtue of his spouse.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninety-Seventh Annual General Meeting of the Company will be held at Dillenia & Eugenia, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 21 September 2015 at 11.00 a.m. to transact the following business:-

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2015 and the Reports of the Directors and Auditors. **Please refer Note 3**

2. To declare a first and final single tier dividend of 0.3 Sen per ordinary share for the financial year ended 31 March 2015. **Resolution 1**

3. To re-elect Dato' Mustapha Bin Buang as Director of the Company who retire by rotation and being eligible offers himself for re-election in accordance with Article 115 of the Company's Articles of Association. **Resolution 2**

4. To consider and if thought fit, pass the following resolution in accordance with Section 129(6) of the Companies Act, 1965:

   "THAT Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas retiring in accordance with Section 129(2) of the Companies Act, 1965 be and is hereby re-appointed Director of the Company to hold office until the next Annual General Meeting." **Resolution 3**

5. To re-appoint Messrs Ernst & Young as the Company's Auditors to hold office for the ensuing year and to authorise the Directors to fix their remuneration. **Resolution 4**

SPECIAL BUSINESS

6. To consider and, if thought fit, pass the following resolutions with or without modifications as:-

   a) **Ordinary Resolution - Authority to issue shares pursuant to Section 132D of the Companies Act 1965**

   THAT pursuant to Section 132D of the Companies Act 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit PROVIDED that the aggregate number of shares to be issued for such person or persons whomever does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are also 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. **Resolution 5**

b) Ordinary Resolution – Directors' Fees

To approve the Directors' Fees of RM96,000.00 for the financial year ended 31 March 2015. **Resolution 6**

c) Ordinary Resolution – Retention as Independent Non-Executive Director

(i) "THAT subject to the passing of Resolution 3, authority be and is hereby given to Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company." **Resolution 7**

(ii) "THAT authority be and is hereby given to Dato' Mohamed Salleh Bin Bajuri who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company." **Resolution 8**

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

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of shareholders at the Ninety-Seventh Annual General Meeting to be held on 21 September 2015, a first and final single tier dividend of 0.3 Sen per ordinary share for the financial year ended 31 March 2015 will be paid on 18 November 2015 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 19 October 2015.

A Depositor shall qualify for entitlement to the dividend only in respect of :

(a) shares transferred to the Depositor's securities account before 4.00 p.m. on 19 October 2015 in respect of transfers;

(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board
Chan Yoon Mun (MAICSA 0927219)
Ooi Mei Ying (MAICSA 7051036)
Secretaries

Kuala Lumpur
29 August 2015

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1) **Members Entitled To Attend**
In respect of deposited securities, only members whose names appear in the Record of Depositors on 11 September 2015 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 97th AGM or appoint proxy/proxies to attend and/or vote on his behalf.

2) **Appointment of Proxy**
(a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two [2] proxies) to attend and vote in his stead. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act 1965 shall not apply to the Company.

(b) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

(c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

(e) An instrument appointing a proxy, in the case of an individual, shall be signed by the appointor or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.

(f) An instrument appointing a proxy must be deposited at the Registered Office of the Company at 12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

3) **Explanatory Notes on Ordinary Business**

Item 1 of the Agenda – To receive the audited financial statements for the financial year ended 31 March 2015
This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item will not put forward for voting.

4) **Explanatory Notes on Special Business:-**

(a) **Resolution 5 - Section 132D of the Companies Act 1965**

The proposed Resolution 5, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting, to issue a maximum not up to ten percent (10%) of the issued and paid-up capital of the Company for the time being for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next annual general meeting of the Company.

The proposed resolution 5 is a renewal of general mandate that has been sought in the preceding year. There were no proceeds raised from the previous mandate given for the financial year ended 31 March 2015.

The General Mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to further placing of shares, for the purpose of funding future investment project(s) working capital and/or acquisition.

(b) **Resolution 6 – Directors' Fees**

The Directors' Fees of RM96,000.00 is for services rendered by the directors concerned to the Company for the financial year ended 31 March 2015.

(c) **Resolution 7– Proposed Retention of Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas as Independent Non-Executive Director**

Resolution 8 – Proposed Retention of Dato' Mohamed Salleh Bin Bajuri as Independent Non-Executive Director

In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, shareholders' approval is sought for the ordinary resolution with regard to the retention of Independent Non-Executive Director of the Company, Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas and Dato' Mohamed Salleh Bin Bajuri who had served the Board for more than nine (9) years to continue serving as Independent Non-Executive Directors based on the following justification, after the Nomination Committee and the Board had assessed their independence:

(i) They fulfill the criteria and definition of an Independent Director as set out under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad; and

(ii) They have vast experience gained at senior management level in their past career. Their knowledge and experience in financial management, accounting, legal and in the property sector have provided support to enable the Board to discharge its duties effectively and in a competent manner.

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PROXY FORM

97th Annual General Meeting

ASIAN PAC HOLDINGS BERHAD (129-T)
(Incorporated in Malaysia)
Registered Office:
12th Floor, Menara SMI,
No. 6, Lorong P. Ramlee,
50250 Kuala Lumpur
Tel : 03-2786 3388
Fax: 03-2786 3386

Number of shares held	
CDS Account No.	

I/We (Full Name) ______________________________ (NRIC No./ Co. No. ____________________)

Tel No/Mobile No. ______________ of ____

______________ being a member/members of ASIAN PAC HOLDINGS BERHAD (Co. No. 129-T) do hereby appoint :-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares:	%
Address			

and / or failing him/her

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares:	%
Address			

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Ninety-Seventh Annual General Meeting of the Company to be held at Dillenia & Eugenia, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 21 September 2015 at 11.00 a.m. and at any adjournment thereof.

Please indicate with an "X" in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting on the resolutions at his/their discretion.

No.	RESOLUTIONS	FOR	AGAINST
1	To declare first and final single tier dividend		
2	To re-elect Dato' Mustapha Bin Buang as Director		
3	To re-appoint Tan Sri Dato' Seri Hj Megat Najmuddin as Director		
4	To re-appoint Messrs. Ernst & Young as Auditors		
5	To authorise the issue shares pursuant to S132D of the Companies Act, 1965		
6	To approve the payment of Directors' Fees		
7	To retain Tan Sri Dato' Seri Hj Megat Najmuddin as Independent Non-Executive Director		
8	To retain Dato' Mohamed Salleh Bin Bajuri as Independent Non-Executive Director		

Signed this ________ day of ____________________ 2015

____
Signature of Member

Notes:

1. **Members Entitled To Attend**
   In respect of deposited securities, only members whose names appear in the Record of Depositors on 11 September 2015 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 97th AGM or appoint proxy/proxies to attend and/or vote on his behalf.
2. **Appointment of Proxy**
   (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two [2] proxies) to attend and vote in his stead. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act 1965 shall not apply to the Company.
   (b) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
   (c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
   (d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
   (e) An instrument appointing a proxy, in the case of an individual, shall be signed by the appointor or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.
   (f) An instrument appointing a proxy must be deposited at the Registered Office of the Company at 12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

Fold this flap for sealing

Then fold here

AFFIX
STAMP
HERE

The Company Secretary
ASIAN PAC HOLDINGS BERHAD
(Company No. 129-T)

12th Floor, Menara SMI,
No. 6, Lorong P. Ramlee
50250 Kuala Lumpur

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