ACB RESOURCES BERHAD

2011

ACB RESOURCES BERHAD

A Member of The Lion Group

(20667-M)

Laporan Tahunan 2011 Annual Report

CONTENTS

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-Sixth Annual General Meeting of ACB Resources Berhad will be held at the Meeting Hall, Level 16, Office Tower, No. 1 Jalan Nagasari (Off Jalan Raja Chulan), 50200 Kuala Lumpur on 20 December 2011 at 2.00 pm for the following purposes:

AGENDA

1. To receive the Directors' Report and Audited Financial Statements for the financial year ended 30 June 2011. **Note 2**

2. To approve the payment of Directors' fees amounting to RM71,100 (2010 : RM71,100). **Resolution 1**

3. To re-elect Director:

   In accordance with Article 97 of the Company's Articles of Association, Y. Bhg. Tan Sri William H.J. Cheng retires and, being eligible, offers himself for re-election. **Resolution 2**

4. To consider and, if thought fit, pass the following resolutions pursuant to Section 129(6) of the Companies Act, 1965 as ordinary resolutions:

   "THAT pursuant to Section 129(6) of the Companies Act, 1965, Y. Bhg. Lt. Jen (B) Datuk Seri Abdul Manap bin Ibrahim be and is hereby re-appointed Director of the Company to hold office until the next annual general meeting of the Company." **Resolution 3**

   "THAT pursuant to Section 129(6) of the Companies Act, 1965, Mr M. Chareon Sae Tang @ Tan Whye Aun be and is hereby re-appointed Director of the Company to hold office until the next annual general meeting of the Company." **Resolution 4**

   "THAT pursuant to Section 129(6) of the Companies Act, 1965, Mr Tan Siak Tee be and is hereby re-appointed Director of the Company to hold office until the next annual general meeting of the Company." **Resolution 5**

5. To re-appoint Auditors to hold office until the conclusion of the next annual general meeting and to authorise the Directors to fix their remuneration. **Resolution 6**

6. Special Business

6.1 To consider and, if thought fit, pass the following ordinary resolution:

   Authority to Directors to issue shares

   "THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of all relevant authorities being obtained, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company." **Resolution 7**

7. To transact any other business for which due notice shall have been given.

By Order of the Board

CHAN POH LAN
WONG PHOOI LIN
Secretaries

Kuala Lumpur
25 November 2011

Notes:

1. *Proxy*

   - *Only Members whose names appear in the Register of Members and the Record of Depositors on 12 December 2011 shall be eligible to attend the Meeting.*

   - *A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or the hand of an officer or attorney duly authorised.*

   - *The instrument of proxy shall be deposited at the office of the Registrar of the Company, Level 13, Office Tower, No. 1 Jalan Nagasari (Off Jalan Raja Chulan), 50200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting.*

   - *Completed Form of Proxy sent through facsimile transmission shall not be accepted.*

2. *Agenda Item 1*

   This item of the Agenda is meant for discussion only. The provisions of Section 169 of the Companies Act, 1965 require that the Directors' Report and the Audited Financial Statements be laid before the Company at its Annual General Meeting. As such, this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

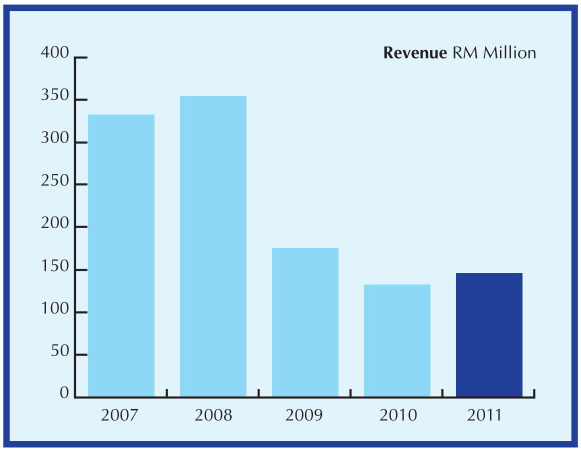
CORPORATE INFORMATION

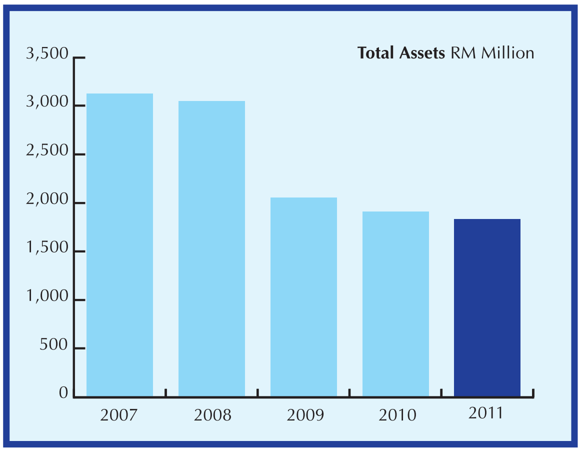
Board of Directors	:	Y. Bhg. Tan Sri William H.J. Cheng *(Chairman)* Y. Bhg. Lt. Jen (B) Datuk Seri Abdul Manap bin Ibrahim Mr M. Chareon Sae Tang @ Tan Whye Aun Mr Tan Siak Tee
Secretaries	:	Ms Chan Poh Lan Ms Wong Phooi Lin
Company No	:	20667-M
Registered Office	:	Level 14, Office Tower No. 1 Jalan Nagasari (Off Jalan Raja Chulan) 50200 Kuala Lumpur Tel No : 03-21420155 Fax No : 03-21413448 Homepage : http://www.lion.com.my
Share Registrar	:	Secretarial Communications Sdn Bhd Level 13, Office Tower No. 1 Jalan Nagasari (Off Jalan Raja Chulan) 50200 Kuala Lumpur Tel Nos : 03-21420155, 03-21418411 Fax No : 03-21428409
Auditors	:	Ong Boon Bah & Co B-10-1 Megan Avenue 1 189 Jalan Tun Razak 50400 Kuala Lumpur
Principal Bankers	:	AmInvestment Bank Berhad Malayan Banking Berhad RHB Bank Berhad

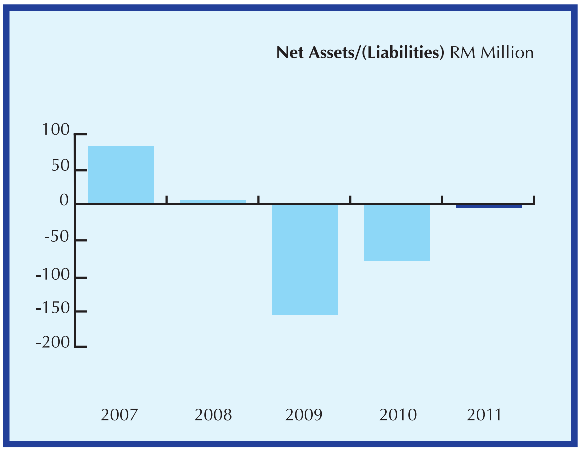
5 YEARS GROUP FINANCIAL HIGHLIGHTS

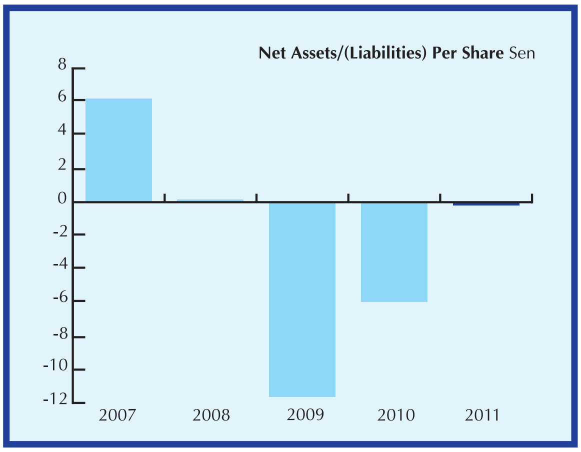
Financial years ended 30 June	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Revenue	334,039	351,144	175,858	133,600	**149,186**
Profit from operations	318,594	190,279	82,741	68,116	**60,573**
Profit/(Loss) before tax	(7,586)	(59,920)	(116,624)	92,356	**60,360**
Profit/(Loss) after tax	(26,415)	(70,428)	(119,255)	89,549	**59,371**
Total assets	3,158,332	3,058,846	2,065,693	1,922,392	**1,842,733**
Net assets/(liabilities)	82,195	989	(154,034)	(78,377)	**(1,210)**
	Sen	**Sen**	**Sen**	**Sen**	**Sen**
Net assets/(liabilities) per share	6.2	0.1	(11.6)	(5.9)	**(0.1)**
Earnings/(Loss) per share	(2.1)	(5.5)	(8.9)	6.6	**4.2**
	'000	**'000**	**'000**	**'000**	**'000**
Number of ordinary shares issued and fully paid	1,331,175	1,331,175	1,331,175	1,331,175	**1,331,175**

Note: Financial years 2009 and 2010 represent continuing operations









REVIEW OF OPERATIONS

GROUP FINANCIAL PERFORMANCE

The Group had in the past been mainly involved in the property development business. Upon the successful implementation of the corporate and debt restructuring exercise which involved, amongst others, the disposal of its property development business, the Group is now principally involved in the provision of security services, hotel, plantation and investment holding sectors.

For the financial year under review, the Group posted a higher revenue of RM149.2 million from RM133.6 million a year ago while profit before taxation was lower by RM32.0 million at RM60.4 million. The lower profit was mainly attributable to lower unrealised gain on foreign exchange and the higher allowance for doubtful debts.

REVIEW OF OPERATIONS

Security Services

Secom (Malaysia) Sdn Bhd ("Secom"), the Group's joint-venture with Secom Co. Ltd, Japan and the Malaysian Police Co-operative Society, provides total integrated 24-hour security services under the SECOM brand. The security services and equipment provided by Secom include computerised central monitoring system for emergency response, CCTV, audio/video intercom, security audit and the supply of guards for residential and commercial properties.

For the year under review, Secom recorded a higher revenue of RM45.6 million as compared to RM40.9 million a year ago. The improvement in revenue by 11% over last year was mainly attributable to higher fees from central monitoring services (CMS) as a result of an increase in subscriber base from 2,595 last year to 2,731 this year, higher sales of security equipment and installation fees. As such, Secom recorded a higher profit of RM10.8 million compared to RM9.1 million a year ago.

Secom will continue with its aggressive strategies to improve sales services and expand its market presence in order to remain competitive.

Hotel

Our hotel operation in China, namely Swiss-Belhotel Changchun, is located in close proximity to the City Centre and in the heart of the renowned First Automobile Works ("FAW"). Changchun is now the hub of international exhibitions and cultural activities in Northeast China. For the financial year under review, the 206-room hotel recorded a revenue of RM18.3 million and profit of RM1.2 million as compared to RM14.0 million and a loss of RM2.2 million respectively last year. The improved performance was mainly attributable to new developments from the motor industry in Changchun, mainly undertaken by FAW. In addition, our hotel also benefitted from its upgraded facilities which have resulted in higher average occupancy rate of 70% as compared to 50% last year. Our hotel division will continue to upgrade its facilities to meet customers' expectations and improve the food and beverage business to strengthen its market position.

Investment holding and others

This division is mainly involved in the plantation, manufacture and sale of tool and dies, and investment holding. For the financial year under review, the division recorded a revenue of RM85.3 million and profit of RM48.6 million as compared to RM78.7 million and RM61.3 million respectively last year. The revenue was mainly derived from interest income from its investment in unquoted bonds and loan stocks. The lower profit was largely due to lower unrealised gain on foreign exchange and higher allowance for doubtful debts.

DIRECTORS' REPORT

The Directors have pleasure in presenting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2011.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies are shown in Note 16 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and of its subsidiary companies during the financial year.

FINANCIAL RESULTS

	GROUP RM'000	COMPANY RM'000
Net profit for the financial year	**59,371**	**810**
Attributable to:		
Owners of the parent	**55,797**	**810**
Non-controlling interests	**3,574**	**–**
	59,371	**810**

DIVIDEND

The Directors do not recommend any payment of dividend for the financial year ended 30 June 2011.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the notes to the financial statements.

SHARE CAPITAL

There was no increase in the issued and paid-up capital of the Company during the financial year.

DIRECTORS

The Directors who served since the date of the last report are:

Tan Sri William H.J. Cheng
Lt. Jen (B) Datuk Seri Abdul Manap bin Ibrahim
M. Chareon Sae Tang @ Tan Whye Aun
Tan Siak Tee
Allahyarham Jen Tan Sri Dato' Zain Mahmud Hashim (b) (Passed away on 30.06.2011)

In accordance with Article 97 of the Company's Articles of Association. Y. Bhg. Tan Sri William H.J. Cheng retires at the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

Pursuant to Section 129(6) of the Companies Act, 1965, Y. Bhg. Lt. Jen (B) Datuk Seri Abdul Manap bin Ibrahim, Mr M. Chareon Sae Tang @ Tan Whye Aun and Mr Tan Siak Tee retire and offer themselves for re-appointment as Directors of the Company to hold office until the next Annual General Meeting.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than those disclosed in 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 a Director is a member or with a company in which a Director has a substantial financial interest save and except for any benefit which may be deemed to have arisen by virtue of the balances and transactions between the Company and its related corporations and certain companies in which certain Directors of the Company and/or its subsidiary companies are substantial shareholders as disclosed in Note 30 to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS

The interests of Directors in office at the end of the financial year in shares in the Company during and at the end of the financial year were as follows:

	Number of ordinary shares of RM1.00 each			
	As at 1.7.2010	**Additions**	**Disposals**	**As at 30.6.2011**
Indirect interest				
Tan Sri William H.J. Cheng	634,485,255	–	–	634,485,255

The interests of Directors in office at the end of the financial year in shares in the related corporations during and at the end of the financial year were as follows:

Indirect interest

Tan Sri William H.J. Cheng

	Nominal value per ordinary share	Number of shares As at 1.7.2010	Additions	Disposals	As at 30.6.2011
Ayer Keroh Resort Sdn Bhd	RM1.00	20,000,000	–	–	20,000,000
Bungawang Sdn Berhad	RM1.00	25,000	–	–	25,000
Davids Warehousing Sdn Bhd (In Liquidation - Voluntary)	RM1.00	4,080,000	–	–	4,080,000
Kobayashi Optical Sdn Bhd	RM1.00	700,000	–	–	700,000
Lion Plantations Sdn Bhd	RM1.00	8,000,000	–	–	8,000,000
Salient Care Sdn Bhd	RM1.00	1,400,000	–	–	1,400,000
Secom (Malaysia) Sdn Bhd	RM1.00	5,100,000	–	–	5,100,000
Secom-KOP Security Systems Sdn Bhd	RM1.00	60,000	–	–	60,000
Visionwell Sdn Bhd	RM1.00	16,000,000	–	–	16,000,000
P T Amsteel Securities Indonesia	Rp1,000	9,350,000	–	–	9,350,000
P T Kebunaria	Rp1,000,000	17,000	–	–	17,000

	Nominal value per preference share	Number of shares As at 1.7.2010	Additions	Disposals	As at 30.6.2011
Hy-Line Berhad	RM1,000	2,480	–	–	2,480

Investment in the People's Republic of China	Currency	As at 1.7.2010	Additions	Disposals	As at 30.6.2011
Jilin Motor City Park Hotel Co Ltd	Rmb	60,000,000	–	–	60,000,000

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during and at the end of the financial year.

EXECUTIVE SHARE OPTION SCHEME

The Executive Share Option Scheme ("ESOS") of the Company established for the benefit of eligible executive Directors and executive employees of the Group which became effective on 1 June 2006, expired on 31 May 2011. The main features of the ESOS are disclosed in Note 24 to the financial statements.

No options were granted or exercised pursuant to the ESOS during the financial year.

OTHER STATUTORY INFORMATION

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

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

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

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

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

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

(c) 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; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

In the opinion of the Directors, except as disclosed in the financial statements:

(a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

(c) 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 substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

AUDITORS

The auditors, Ong Boon Bah & Co, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 14 October 2011.

TAN SRI WILLIAM H.J. CHENG
Chairman

LT. JEN (B) DATUK SERI ABDUL MANAP BIN IBRAHIM
Director

Kuala Lumpur

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
Revenue	6	**149,186**	133,600	**76,289**	73,868
Other operating income		**11,762**	6,425	**3,740**	56,575
Changes in inventories		**(523)**	850	**–**	–
Raw materials and consumables used		**(4,205)**	(3,368)	**–**	–
Purchase of trading goods		**(2,262)**	(3,204)	**–**	–
Employee benefits expense	7	**(22,186)**	(25,859)	**–**	–
Depreciation and amortisation expenses		**(9,098)**	(8,707)	**(1)**	(2)
Other operating expenses		**(62,101)**	(31,621)	**(91,674)**	(135,714)
Profit/(Loss) from operations	8	**60,573**	68,116	**(11,646)**	(5,273)
Gain on foreign exchange - unrealised		**76,026**	107,312	**96,078**	107,250
Finance costs	9	**(75,342)**	(85,073)	**(82,322)**	(92,469)
Share in results of associated companies		**(897)**	2,001	**–**	–
Profit before tax		**60,360**	92,356	**2,110**	9,508
Tax expense	10	**(989)**	(2,807)	**(1,300)**	–
Net profit for the financial year		**59,371**	89,549	**810**	9,508
Other comprehensive income/(loss)					
Foreign currency translation		**4,126**	(11,599)	**–**	–
Changes in fair value of available-for-sale investments					
- Fair value changes		**5,921**	–	**2,225**	–
- Transfer to profit or loss upon disposal		**(4,281)**	–	**–**	–
Other comprehensive income/(loss) for the financial year, net of tax		**5,766**	(11,599)	**2,225**	–
Total comprehensive income for the financial year		**65,137**	77,950	**3,035**	9,508
Profit attributable to:					
Owners of the parent		**55,797**	87,256	**810**	9,508
Non-controlling interests		**3,574**	2,293	**–**	–
		59,371	89,549	**810**	9,508
Total comprehensive income for the financial year attributable to:					
Owners of the parent		**61,563**	75,657	**3,035**	9,508
Non-controlling interests		**3,574**	2,293	**–**	–
		65,137	77,950	**3,035**	9,508
Earnings per share					
Basic (sen)	11	**4.2**	6.6		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Note	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	**78,136**	82,503	**6**	7
Investment property	13	**132**	134	**–**	–
Biological assets	14	**13,592**	15,181	**–**	–
Associated companies	15	**11,445**	12,742	**4,000**	4,000
Subsidiary companies	16	**–**	–	**4,751**	4,751
Jointly controlled entities	17	**–**	–	**–**	–
Investments	18	**878,617**	983,044	**843,895**	951,774
Goodwill	19	**–**	–	**–**	–
Deferred consideration	20	**–**	412,758	**–**	412,758
		981,922	1,506,362	**852,652**	1,373,290
Current assets					
Investments	18	**166,015**	–	**164,858**	–
Receivables	20	**571,219**	246,249	**2,055,770**	1,813,723
Property development costs	21	**147**	522	**–**	–
Inventories	22	**5,513**	7,890	**–**	–
Tax recoverable		**18,558**	10,668	**8,629**	6,911
Deposits, cash and bank balances	23	**99,359**	150,701	**34,311**	86,912
		860,811	416,030	**2,263,568**	1,907,546
TOTAL ASSETS		**1,842,733**	1,922,392	**3,116,220**	3,280,836
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	24	**1,331,175**	1,331,175	**1,331,175**	1,331,175
Share premium		**230,188**	230,188	**230,188**	230,188
Reserves		**400,513**	408,662	**4,090**	–
Accumulated losses		**(1,963,086)**	(2,048,402)	**(1,050,469)**	(1,051,279)
		(1,210)	(78,377)	**514,984**	510,084
Non-controlling interests		**24,424**	26,139	**–**	–
Total equity		**23,214**	(52,238)	**514,984**	510,084
Non-current liabilities					
ACB Bonds and USD Debts	26	**287,906**	1,298,807	**307,578**	1,372,855
Finance lease liabilities	27	**–**	30	**–**	–
Deferred liabilities		**1,777**	1,714	**–**	–
Deferred tax liabilities	28	**1,409**	1,212	**–**	–
		291,092	1,301,763	**307,578**	1,372,855
Current liabilities					
Payables	29	**110,266**	92,022	**811,535**	808,391
Finance lease liabilities	27	**32**	19	**–**	–
ACB Bonds and USD Debts	26	**1,418,076**	580,593	**1,482,123**	589,506
Tax liabilities		**53**	233	**–**	–
		1,528,427	672,867	**2,293,658**	1,397,897
Total liabilities		**1,819,519**	1,974,630	**2,601,236**	2,770,752
TOTAL EQUITY AND LIABILITIES		**1,842,733**	1,922,392	**3,116,220**	3,280,836

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		**60,360**	92,356	**2,110**	9,508
Adjustment for non-cash items, interests and dividends	33(a)	**(41,646)**	(86,004)	**219**	(13,657)
Operating profit/(loss) before working capital changes		**18,714**	6,352	**2,329**	(4,149)
Increase in inventories		**(1,041)**	(1,808)	**–**	–
Decrease/(Increase) in trade and other receivables		**51,761**	(99,314)	**59,622**	(85,380)
Increase/(Decrease)in trade and other payables		**17,964**	21,439	**(1,717)**	(7,444)
Cash generated from/(used in) operations		**87,398**	(73,331)	**60,234**	(96,973)
Tax paid		**(4,252)**	(3,170)	**–**	–
Net cash inflow/(outflow) from operating activities		**83,146**	(76,501)	**60,234**	(96,973)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(3,583)**	(5,187)	**–**	–
Advances to subsidiary companies		**–**	–	**–**	(3,153)
Deferred consideration received from disposal of subsidiary companies in prior year		**–**	305,120	**–**	305,120
Proceeds from disposal of property, plant and equipment		**350**	6,520	**–**	70
Proceeds from disposal of investments		**15,339**	21	**–**	21
Proceeds from redemption of investments		**11,442**	14,497	**11,442**	14,497
Repayment from associated companies		**469**	–	**463**	–
Repayment from subsidiary companies		**–**	–	**20,582**	–
Dividends received		**4,222**	701	**7,266**	6,930
Interest received		**4,158**	2,489	**2,754**	2,428
Net cash inflow from investing activities		**32,397**	324,161	**42,507**	325,913

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS (continued)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid to non-controlling interests		**(365)**	(367)	**–**	–
Advances from subsidiary companies		**–**	–	**3,565**	6,117
Redemption/Repayment of ACB Bonds and USD Debts		**(158,845)**	(228,089)	**(158,845)**	(228,089)
Repayment of finance lease liabilities		**(17)**	(17)	**–**	–
Interest paid		**(56)**	(62)	**(62)**	(55)
Decrease/(Increase) in fixed deposits earmarked for ACB Bonds and USD Debts redemption		**58,265**	(6,450)	**58,204**	(6,520)
Repayment to associated companies		**–**	(2)	**–**	–
Net cash outflow from financing activities		**(101,018)**	(234,987)	**(97,138)**	(228,547)
Effect of exchange rate changes on cash and cash equivalents		**(7,602)**	61	**–**	–
Net increase in cash and cash equivalents		**6,923**	12,734	**5,603**	393
Cash and cash equivalents at beginning of the financial year		**72,755**	60,021	**9,092**	8,699
Cash and cash equivalents at end of the financial year	33(b)	**79,678**	72,755	**14,695**	9,092

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

GROUP	Attributable to owners of the parent						
		Non-distributable					
	Share capital RM'000	Share premium RM'000	Reserves RM'000 (Note 25)	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance at 1 July 2009	1,331,175	230,188	420,261	(2,135,658)	(154,034)	24,213	(129,821)
Total comprehensive income/(loss) for the financial year, net of tax	–	–	(11,599)	87,256	75,657	2 ,293	77,950
Dividend paid	–	–	–	–	–	(367)	(367)
Balance at 30 June 2010	1,331,175	230,188	408,662	(2,048,402)	(78,377)	26,139	(52,238)
As at 1 July 2010							
As previously reported	**1,331,175**	**230,188**	**408,662**	**(2,048,402)**	**(78,377)**	**26,139**	**(52,238)**
Effects on adoption of FRS 139	**–**	**–**	**(13,915)**	**29,519**	**15,604**	**–**	**15,604**
	1,331,175	**230,188**	**394,747**	**(2,018,883)**	**(62,773)**	**26,139**	**(36,634)**
Total comprehensive income for the financial year, net of tax	**–**	**–**	**5,766**	**55,797**	**61,563**	**3,574**	**65,137**
Dividend paid/payable	**–**	**–**	**–**	**–**	**–**	**(5,289)**	**(5,289)**
Balance at 30 June 2011	**1,331,175**	**230,188**	**400,513**	**(1,963,086)**	**(1,210)**	**24,424**	**23,214**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

COMPANY

		Non-distributable			
	Share capital RM'000	**Share premium RM'000**	**Fair value reserve RM'000**	**Accumulated losses RM'000**	**Total RM'000**
Balance at 1 July 2009	1,331,175	230,188	–	(1,060,787)	500,576
Total comprehensive income for the financial year, net of tax	–	–	–	9,508	9,508
Balance at 30 June 2010	1,331,175	230,188	–	(1,051,279)	510,084
As at 1 July 2010					
As previously reported	**1,331,175**	**230,188**	**–**	**(1,051,279)**	**510,084**
Effects on adoption of FRS 139	**–**	**–**	**1,865**	**–**	**1,865**
	1,331,175	**230,188**	**1,865**	**(1,051,279)**	**511,949**
Total comprehensive income for the financial year, net of tax	**–**	**–**	**2,225**	**810**	**3,035**
Balance at 30 June 2011	**1,331,175**	**230,188**	**4,090**	**(1,050,469)**	**514,984**

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2011

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and the principal place of business of the Company are both located at Level 14, Office Tower, No. 1 Jalan Nagasari (Off Jalan Raja Chulan), 50200 Kuala Lumpur.

The principal activity of the Company is investment holding. The principal activities of its subsidiary companies are shown in Note 16. There have been no significant changes in the nature of the principal activities of the Company and of its subsidiary companies 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 14 October 2011.

2. GOING CONCERN

The Group's current liabilities exceeded its current assets by RM667.616 million for the financial year ended 30 June 2011 and as of that date, the Group has a deficit in its shareholders' funds of RM1.210 million. In addition, as disclosed in Note 26, the ACB Bonds and USD Debts of the Group and of the Company which are repayable within the next 12 months amounted to RM1,418.076 million and RM1,482.123 million respectively. The cash flow for the said redemption/repayment will be sourced from the proceeds of the disposal of assets/companies and cash flows from its operations.

The Directors are of the opinion that the financial statements are prepared on a going concern basis and accordingly do not include any adjustments that may be necessary if the Group and the Company are unable to continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

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

(b) Subsidiary companies and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies, which are prepared up to the end of the same financial year.

Subsidiary companies are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

Subsidiary companies are consolidated using the purchase method of accounting. Under the purchase method of accounting, the results of subsidiary companies acquired during the financial year are included in the consolidated financial statements from the effective date of acquisition. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. At the Group level, provisions are made for the acquiree's contingent liabilities existing at the date of acquisition as the Group deems that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in the statements of comprehensive income.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. Intragroup transactions, balances and unrealised gains and losses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only.

Non-controlling interests in the consolidated statements of financial position consist of the non-controlling interests' share of fair values of the identifiable assets and liabilities of the acquiree as at acquisition date and the non-controlling interests' share of movements in the acquiree's equity since then.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts is included in the statements of comprehensive income.

(c) Associated companies

Associated companies are entities in which the Group has significant influence and where the Group participates in its financial and operating policies through Board representation. Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on the latest audited or management financial statements of the companies concerned made up to the Group's financial year end. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

Under the equity method of accounting, the Group's share of results of associated companies during the financial year is included in the consolidated financial statements. The Group's share of results of associated companies acquired or disposed of during the year, is included in the consolidated statements of comprehensive income from the date that significant influence effectively commences or until the date that significant influence effectively ceases, as appropriate.

Unrealised gains and losses on transactions between the Group and the associate companies are eliminated to the extent of the Group's interest in the associated companies.

The Group's interest in associated companies is carried in the consolidated statements of financial position at cost plus the Group's share of post-acquisition changes in the share of the net assets of the associated companies, less impairment losses.

Goodwill relating to an associated company is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of net fair value of the associated company's identifiable assets, liabilities and contingent liabilities 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 associated company's results in the period in which the investment is acquired.

When the Group's share of losses equals or exceeds its interest in an equity accounted associated company, including any long term interest that, in substance, form part of the Group's net investment in the associated company, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payment on behalf of the associated company.

In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses.

(d) Jointly controlled entities

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

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 3(c).

(e) Property, plant and equipment

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 repairs and maintenance are charged to the statements of comprehensive income during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated but reviewed at each reporting date to determine whether there is an indication of impairment. Capital work-in-progress are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Leasehold land and buildings	2%	-	10%
Plant and machinery	2%	-	33.3%
Tools and equipment	10%	-	20%
Furniture and office equipment	5%	-	25%
Motor vehicles	13%	-	20%

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.

(f) Biological assets

Replanting expenditure consists of expenses incurred from land clearing to the point of harvesting and is recognised in the statements of comprehensive income in the year that it is incurred.

Plantation development expenditure comprise principally professional fees incurred in connection with the submission of development plans to the local authorities in respect of the proposed development projects on leasehold land owned by the Group.

Biological assets are stated at cost less accumulated amortisation and impairment losses.

(g) Investment property

Investment property is property which is held either to earn rental income or for capital appreciation or for both. Such property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at fair value. Fair value is arrived at by reference to market evidence of transaction prices for similar property and the valuation is performed by independent professional valuers.

Gains or losses arising from changes in the fair values of investment property is recognised in profit or loss in the year in which they arise.

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

Investment property is 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 an investment property are recognised in profit or loss in the year in which they arise.

When an item of investment property carried at fair value is transferred to property, plant and equipment following a change in its use, the property's deemed cost for subsequent accounting in accordance with FRS 116: Property, Plant and Equipment shall be its fair value at the date of change in use.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in other comprehensive income. However, if such fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of the investment property, any surplus previously recorded in other comprehensive income is transferred to retained earnings.

When an item of inventory or property development is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to the transfer and its fair value is recognised in profit or loss.

(h) Land held for development and property development costs

(i) Land held for property development

Land held for 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.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate cost. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

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

(ii) Property development costs

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

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

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised to the extent of property development costs incurred that is probable of being recovered, 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 that are 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 receivables and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as progress billings within payables.

(i) Inventories

Marketable securities are stated at lower of cost and net realisable value determined on a portfolio basis by its aggregate cost against its market value. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Gains or losses on disposal of marketable securities and write down of marketable securities to market values are included in the statement of comprehensive income.

Completed property units for sale are valued at the lower of cost and net realisable value. Cost is determined using the specific identification method.

Other inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average or first-in first-out basis or by specific identification method. The cost of raw materials, comprises the original purchase price plus costs incurred in bringing the inventories to their present locations and conditions. The cost of finished goods comprise the cost of raw materials, direct labour, direct charge and a proportion of production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

(j) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it 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.

(k) Impairment of non-financial assets

The carrying amounts of the Group's assets, other than property development costs, inventories, deferred tax assets and non-current assets (or disposal groups) held for sale, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such impairment exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life, the recoverable amount is estimated at each reporting date or more frequently when there are indications of impairment.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less cost to sell and its value in use ("VIU"). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and 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.

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the fair value reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and 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. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(l) Financial assets

Financial assets 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.

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 or loss, directly attributable transaction costs.

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

(i) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are classified as financial assets at FVTPL 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.

Financial assets designated as financial assets at FVTPL are a group of financial assets which consist of certain quoted securities that is managed and its performance is evaluated at a fair value basis, in accordance with a documented risk management or investment strategy, and information about these group of financial assets is provided internally on that basis to the Group's and the Company's key management personnel.

Subsequent to initial recognition, financial assets at FVTPL 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 FVTPL do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at FVTPL are recognised separately in profit or loss as part of other losses or other income.

Financial assets at FVTPL 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.

(ii) 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.

(iii) Held-to-maturity investments

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

(iv) Available-for-sale ("AFS") financial assets

AFS financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding 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 from 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.

A financial asset is derecognised where 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 previously recognised in other comprehensive income will be recognised in profit or loss.

(m) Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

(i) Loans and receivables

Receivables assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. 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, as well as observable changes in national or local economic conditions that correlate with default on receivables.

In respect of receivables carried at amortised cost, the amount of the impairment loss recognised is 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 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 is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

(ii) AFS financial assets

For equity instruments classified as AFS, a significant or prolonged decline in the fair value of the securities below its cost is considered to be objective evidence of impairment.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are classified to profit or loss in the period.

With the exception of AFS equity instruments, 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 previous recognised impairment loss is reversed through profit or loss to the extent that the carrying amounts of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

(iii) Unquoted equity securities carried at cost

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

(n) Cash and cash equivalents

For the purposes of statements of cash flows, cash and cash equivalents include cash in hand and at bank, deposits at call and short term highly liquid investments which have insignificant risk of changes in value, net of outstanding bank overdrafts.

(o) Provisions

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Liquidated ascertained damages which have been accrued based on estimates of settlement sums to be agreed, are charged to the statement of comprehensive income.

Provision for restructuring costs is recognised when the Group and the Company have a detailed formal plan for restructuring which has been notified to the affected parties.

(p) 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 FVTPL

Financial liabilities at FVTPL 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.

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and accrued expenses, amount owing to subsidiary companies, amount owing to related companies and dividend payable.

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or a shorter period, to the net carrying amount on initial recognition.

ACB Bonds and USD Debts are stated at net present value plus accreted interest and net of amortised issuance expenses. The accretion of interest on the bonds or debts is recognised as interest expenses on the basis of their underlying cash yield to maturity.

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.

(q) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and

- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) Finance leases - the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses.

The corresponding liability is included in the statements of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the statements of comprehensive income over the terms of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 3(e).

(iii) Operating leases - the Group as lessee

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

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the relevant lease term.

(r) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(s) Foreign currencies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the date of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are translated at the rates prevailing on the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the statements of comprehensive income for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in the statement of comprehensive income. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, are recognised in the statement of comprehensive income for the period.

Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in the statement of comprehensive income in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the statement of comprehensive income 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 results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the statement of financial position date;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2006 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 statement of financial position date. Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiary companies before 1 January 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

The principal closing rates used in translation of foreign currency amounts are as follows:

	2011 RM	2010 RM
Foreign currency		
1 US Dollar	**3.0240**	3.2690
1 Singapore Dollar	**2.4538**	2.3263
1 Hong Kong Dollar	**0.3884**	0.4198
100 Philippine Peso	**6.9150**	6.9950
100 Indonesian Rupiah	**0.0339**	0.0349
1 Chinese Renminbi	**0.4670**	0.4792

(t) Revenue recognition

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

(i) Sale of goods, properties and services

Revenue is recognised upon delivery of products and customers' acceptance, if any, or performance of services, net of sales taxes and discounts, and after eliminating sales within the Group.

Revenue from sale of development properties are recognised on the percentage of completion method. The stage of completion is determined based on the proportion of development cost incurred to date against the total estimated cost on projects where the outcome of the projects can reliably be estimated and are in respect of sales where agreements have been finalised by the end of the financial year.

Revenue from sales of land under development and completed property units are recognised when the agreements are executed.

(ii) Dividend income

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

(iii) Interest income

Interest income is recognised on the accrual basis.

(iv) Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

(u) Borrowing costs

Borrowing costs incurred to finance the construction of property, plant and equipment are capitalised as part of the cost of the asset until the asset is ready for its intended use. Capitalisation of finance cost is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised as an expense in the statements of comprehensive income in which they are incurred.

(v) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

The Group's contributions to defined contribution plans are charged to the statements of comprehensive income in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Equity compensation benefits

The Company's Executive Share Option Scheme ("ESOS") allows the Group's executive employees to acquire ordinary shares in the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

(w) Income tax

(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.

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 subsidiary companies, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax 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 recognized 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 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 subsidiary companies, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

(x) Segment reporting

Segment reporting is presented for enhanced assessment of the Group's risks and returns. A business segment is a group of assets and operations engaged in providing products or services that are subject to risk and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those components.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expense, assets and segment liabilities are determined before intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

4. CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW AND REVISED FRSs

Adoption of New and Revised FRSs

In the current financial year, the Group and the Company have adopted all the new and revised FRSs and Issues Committee Interpretations ("IC Int.") issued by the Malaysian Accounting Standards Board ("MASB") which are effective for annual periods beginning on or after 1 July 2010 as follows:

FRS 1 First-time Adoption of Financial Reporting Standards (Revised in 2011)

FRS 2 Share-based Payment (Amendments relating to vesting conditions and cancellations)

FRS 2 Share-based Payment (Amendments relating to scope of FRS 2 and revised FRS 3)

FRS 3 Business Combinations (Revised in 2010)

FRS 5 Non-current Assets Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary)

FRS 7 Financial Instruments: Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets - effective date and transition)

FRS 101 Presentation of Financial Statements (Revised in 2009)

FRS 123 Borrowing Costs (Revised)

FRS 127 Consolidated and Separate Financial Statements (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)

FRS 127 Consolidated and Separate Financial Statements (Revised in 2010)

FRS 138 Intangible Assets (Amendments relating to additional consequential amendments arising from FRS 3)

FRS 139 Financial Instruments: Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition, embedded derivatives and revised FRS 3 and Revised FRS 127)

Improvements to FRSs (2009)

IC Int. 9 Reassessment of Embedded Derivatives

IC Int. 9 Reassessment of Embedded Derivatives (Amendments relating to embedded derivatives)

IC Int. 9 Reassessment of Embedded Derivatives (Amendments relating to scope of IC Interpretation 9 and revised FRS 3)

IC Int. 10 Interim Financial Reporting and Impairment

IC Int. 11 FRS 2 - Group and Treasury Share Transactions

IC Int. 14 FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

IC Int. 17 Distributions of Non-cash Assets to Owners

Standards affecting presentation and disclosure

FRS 3 Business Combinations (Revised in 2010)

The revised FRS 3:

- allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquiree;

- changes the recognition and subsequent accounting requirements for contingent consideration. Under the previous version of the standard, contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were recognised against goodwill. Under the revised standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss;

- requires the recognition of a settlement gain or loss where the business combination in effect settles a pre-existing relationship between the Group and the acquiree; and

- requires acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of the business combination.

Upon adoption, this standard will be applied prospectively and therefore, no restatements will be required in respect of transactions prior to the date of adoption.

FRS 7 Financial Instruments: Disclosures

FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements require disclosure of information about the significance of financial instruments for the Group's and the Company's financial position and performance, the nature and extent of risks arising from financial instruments, and the objectives, policies and processes for managing capital.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions of the standard. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 30 June 2011.

FRS 101 Presentation of Financial Statements (Revised in 2009)

The revised FRS 101 introduces terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, the revised standard requires the presentation of a third statement of financial position in the event that the entity has applied new accounting policies retrospectively. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners with all non-owner changes in equity presented as a single line. The standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

There is no impact on the Group's and the Company's financial statements as this change in accounting policy affects only the presentation of the Group's and the Company's financial statements.

The revised FRS 101 was adopted retrospectively by the Group and the Company.

FRS 127 Consolidated and Separate Financial Statements (Revised in 2010)

The revised standard will affect the Group's accounting policies regarding changes in ownership interests in its subsidiary companies that do not result in a change in control. Previously, in the absence of specific requirements in FRSs, increases in interests in existing subsidiary companies were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, where appropriate; for decreases in interests in existing subsidiary companies regardless of whether the disposals would result in the Group losing control over the subsidiary companies, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

Under FRS 127 (Revised in 2010), increases or decreases in ownership interests in subsidiary companies that do not result in the Group losing control over the subsidiary companies are dealt with in equity and attributed to the owners of the parent, with no impact on goodwill or profit or loss. When control of a subsidiary company is lost as a result of a transaction, event or other circumstance, FRS 127 (revised) requires that the Group derecognises all assets, liabilities and non-controlling interests at their carrying amounts. Any retained interest in the former subsidiary company is recognised at its fair value at the date when control is lost, with the resulting gain or loss being recognised in profit or loss.

This standard was adopted prospectively by the Group and the Company.

Amendments to FRS 117 Leases

Prior to 1 July 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the statements of financial position as at 30 June 2011 arising from the above change in accounting policy:

GROUP

	Increase/ (Decrease) RM'000
Statements of financial position	
Investment property	132
Property, plant and equipment	781
Prepaid land lease payments	(913)
Statements of comprehensive income	
Amortisation of prepaid land lease payments	(3)
Depreciation of property, plant and equipment	3

The following comparatives have been restated:

Statements of financial position	**Note**	**As previously reported RM'000**	**Effect of adopting amendments to FRS 117 RM'000**	**As restated RM'000**
At 30 June 2010				
Property, plant and equipment	12	81,721	782	82,503
Investment property	13	–	134	134
Prepaid land lease payments		916	(916)	–

FRS 139 Financial Instruments: Recognition and Measurement

The Group and the Company have adopted FRS 139 prospectively on 1 July 2010 in accordance with the transitional provisions in FRS 139. On that date, financial assets were classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. Financial liabilities were either classified as financial liabilities at fair value through profit or loss or other financial liabilities (i.e. those financial liabilities which are not held for trading or designated as at fair value through profit or loss upon initial recognition). The accounting policies for financial assets and financial liabilities are as disclosed in Note 3.

The effects arising from the adoption of this standard has been accounted for by adjusting respective opening balance as at 1 July 2010, as shown below and comparatives are not restated.

	As at 1 July 2010 RM'000	Effects of adopting FRS 139 RM'000	Restatement as at 1 July 2010 RM'000
Statements of financial position			
GROUP			
Equity attributable to owners of the parent			
Reserves	408,662	(13,915)	394,747
Accumulated losses	(2,048,402)	29,519	(2,018,883)
Non-current assets			
Investments	983,044	15,604	998,648
COMPANY			
Equity attributable to owners of the parent			
Reserves	–	1,865	1,865
Accumulated losses	(1,051,279)	–	(1,051,279)
Non-current assets			
Investments	951,774	1,865	953.639

FRSs, Amendments to FRSs and IC Int. issued but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised FRSs and IC Int. which were issued but not yet effective and not early adopted by the Group and the Company are as listed below:

FRS 1 First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS 7 Disclosures for First-time Adopters)[1]

FRS 1 First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for First-time Adopters)[1]

FRS 2 Share-based Payment (Amendments relating to group cash-settled share based payment transaction)[1]

FRS 7 Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments)[1]

FRS 124 Related Party Disclosure (Revised)[2]

Improvements to FRSs 2010[1]

IC Int. 4 Determining whether an arrangement contains a lease[1]

IC Int. 15 Agreements for the Construction of Real Estate[3]

IC Int. 18 Transfers of Assets from Customers[4]

IC Int. 19 Extinguishing Financial Liabilities with Equity Instruments[5]

[1] Effective for annual periods beginning on or after 1 January 2011
[2] Effective for annual periods beginning on or after 1 January 2012
[3] Original effective date of 1 July 2010 deferred to 1 January 2012 via amendment issued by MASB on 31 August 2010
[4] Applies prospectively to transfers of assets from customers received on or after 1 January 2011
[5] Effective for annual periods beginning on or after 1 July 2011

Consequential amendments were also made to various FRSs as a result of these new/revised FRSs.

The Directors anticipate that the adoption of the above standards and interpretations, when they become effective, are not expected to be relevant or have material impact on the financial statements of the Group and of the Company in the period of initial application.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Critical judgement made in applying accounting policies

Management is of the opinion that the instances of the application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimation.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the statements of financial position 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 tangible assets

When there is an indication that the carrying amount of an asset may be impaired, the asset's recoverable amount, being the higher of its fair value less costs to sell and its value in use, will be assessed. The assessment of recoverable amounts involves various methodologies.

Fair value of an asset is estimated by reference to net assets of the investee or based on prevailing market value determined by professional valuers.

In determining the value in use of an asset, being the future economic benefits to be expected from its continued use and ultimate disposal, the Group makes estimates and assumptions that required significant judgements and estimates. While the Group believes these estimates and assumptions to be reasonable and appropriate, changes in these estimates and assumptions of value in use could impact on the Group's financial position and results.

(ii) Depreciation of property, plant and equipment

The cost of property, plant and equipment except for freehold land and capital work-in-progress, is depreciated on a straight-line basis over the assets' useful lives. Management reviews the remaining useful lives of these property, plant and equipment at the end of each financial year and ensures consistency with previous estimates and patterns of consumptions of the economic benefits that embodies the items in these assets. Changes in useful lives of property, plant and equipment may result in revision of future depreciation charges.

(iii) Allowance for doubtful receivables

The Group makes allowances for doubtful receivables based on assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be collectible. The identification of doubtful receivables requires the use of judgement and estimates. Where the expectation is different from the original estimate, such differences will impact carrying value of receivables.

6. REVENUE

Revenue of the Group represents sales of goods and services outside of the Group net of returns and allowances, the proportion of the aggregate sales value of property development projects sold attributable to the percentage of development work performed, sales value of land under development, proportion of the total contract values attributable to the percentage of construction work performed, sales value of completed property units, gross rental incomes, dividends and interest income. Revenue of the Company comprises dividends and interest income.

An analysis of revenue is as follows:

	GROUP		COMPANY	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Sales of goods	**23,910**	15,508	**–**	–
Rendering of service	**35,370**	37,773	**–**	–
Property development	**–**	1,237	**–**	–
Dividend income from:				
- subsidiary companies	**–**	–	**6,798**	8,840
- associated companies	**–**	–	**400**	400
- others	**4,535**	401	**2,006**	–
Interest income from:				
- subsidiary companies	**–**	–	**220**	–
- unquoted investments	**64,567**	62,200	**64,567**	62,200
- others	**2,496**	2,488	**2,298**	2,428
Rental income	**18,308**	10,795	**–**	–
Others	**–**	3,198	**–**	–
	149,186	133,600	**76,289**	73,868

7. EMPLOYEE BENEFITS EXPENSE

	GROUP	
	2011 RM'000	**2010 RM'000**
Salaries, wages and bonuses	**11,915**	16,648
Defined contribution plans	**1,405**	1,483
Other staff related expenses	**8,866**	7,728
	22,186	25,859

8. PROFIT/(LOSS) FROM OPERATIONS

(a) Profit/(Loss) from operations is arrived at:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
After charging:				
Depreciation of property, plant and equipment	**7,848**	7,519	**1**	2
Directors' remuneration (Note 8(b))	**77**	77	**77**	77
Auditors' remuneration:				
- current year	**246**	255	**44**	44
- prior year	**8**	(3)	**1**	–
Amortisation of biological assets	**1,250**	1,188	**–**	–
Rental of land and buildings	**365**	371	**–**	–
Allowance for doubtful receivables:				
- subsidiary companies	**–**	–	**80,318**	131,251
- associated companies	**25,423**	–	**9,945**	–
- others	**2,031**	–	**–**	–
Property, plant and equipment written off	**123**	54	**–**	–
Loss on foreign exchange - realised	**–**	771	**–**	–
And crediting:				
Interest income	**1,427**	–	**–**	–
Gross dividend from quoted investments in Malaysia	**–**	33	**–**	–
Gain on disposal of:				
- investments	**5,452**	21	**–**	21
- property, plant and equipment	**57**	1,156	**–**	70
Gain on foreign exchange - realised	**3,651**	–	**3,627**	156
Allowance for diminution in value for quoted investments written back	**–**	3,680	**–**	1,276
Allowance for doubtful receivables no longer required	**–**	579	**–**	–
Bad debts recovered	**230**	15	**–**	–
Waiver of debt by a subsidiary company	**–**	–	**–**	54,894

(b) Directors' remuneration

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Non-Executive Directors*:				
Fees	**71**	71	**71**	71
Benefits-in-kind	**6**	6	**6**	6
	77	77	**77**	77

The number of Directors whose total remuneration fall into the respective bands are as follows:

Range of remuneration	**Number of Directors**	
	2011	**2010**
Non-executive Directors*:		
RM25,000 and below	**5**	5

* 2011: Including a Director who passed away during the financial year.

9. FINANCE COSTS

	GROUP		**COMPANY**	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest expenses on:				
- hire purchase	**4**	5	**–**	–
- ACB Bonds and USD Debts	**75,286**	85,011	**28,217**	28,346
- ACB Debts	**–**	–	**54,045**	64,068
- others	**52**	57	**60**	55
Total	**75,342**	85,073	**82,322**	92,469

10. TAX EXPENSE

	GROUP		**COMPANY**	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
- Malaysian income tax	**3,084**	2,974	**1,300**	–
- Foreign tax	**6**	6	**–**	–
- Prior year	**(2,298)**	(2)	**–**	–
Deferred tax (Note 28):				
- Relating to origination and reversal of temporary differences	**(84)**	(167)	**–**	–
- Prior year	**281**	(4)	**–**	–
Total	**989**	2,807	**1,300**	–

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

	GROUP		**COMPANY**	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Profit before tax	**60,360**	92,356	**2,110**	9,508

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Taxation at Malaysian statutory tax rate	**25**	25	**25**	25
Income not subject to tax	**(22)**	(37)	**(29)**	(287)
Expenses not deductible for tax purposes	**2**	15	**66**	262
Prior year	**(3)**	–	**–**	–
	2	3	**62**	–

Malaysian income tax is calculated at the tax rate of 25% (2010: 25%) of the estimated assessable profit for the year. The computation of deferred tax as at 30 June 2011 has reflected these changes.

11. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the net profit for the financial year attributable to ordinary owners of the parent by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2011	**2010**
	RM'000	**RM'000**
Net profit for the financial year attributable to owners of the parent	**55,797**	87,256
Weighted average number of ordinary shares in issue	**1,331,175**	1,331,175
Basic earnings per share (sen)	**4.2**	6.6

12. PROPERTY, PLANT AND EQUIPMENT

	Land, plantations and buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture and office equipment RM'000	Motor vehicles RM'000	Total RM'000
As at 30 June 2011					
GROUP					
COST					
At 1 July 2010	**113,178**	**59,716**	**8,245**	**5,274**	**186,413**
Additions	**1,632**	**526**	**557**	**868**	**3,583**
Disposals	**(65)**	**–**	**(154)**	**(600)**	**(819)**
Exchange difference	**(2,693)**	**(346)**	**(128)**	**(248)**	**(3,415)**
Written off	**–**	**(1,129)**	**(52)**	**–**	**(1,181)**
Transfer from inventories	**–**	**2,261**	**–**	**–**	**2,261**
Effects of adopting amended FRS 117	**855**	**–**	**–**	**–**	**855**
At 30 June 2011	**112,907**	**61,028**	**8,468**	**5,294**	**187,697**
ACCUMULATED DEPRECIATION					
At 1 July 2010	**45,910**	**49,954**	**5,274**	**3,554**	**104,692**
Charge for the financial year	**3,731**	**2,788**	**668**	**661**	**7,848**
Disposals	**(8)**	**–**	**(36)**	**(482)**	**(526)**
Exchange difference	**(1,154)**	**(276)**	**(29)**	**(7)**	**(1,466)**
Written off	**–**	**(1,020)**	**(38)**	**–**	**(1,058)**
Effects of adopting amended FRS 117	**71**	**–**	**–**	**–**	**71**
At 30 June 2011	**48,550**	**51,446**	**5,839**	**3,726**	**109,561**
NET CARRYING AMOUNT					
At 30 June 2011	**64,357**	**9,582**	**2,629**	**1,568**	**78,136**

	Land, plantations and buildings RM'000	**Plant, machinery, tools and equipment RM'000**	**Furniture and office equipment RM'000**	**Motor vehicles RM'000**	**Total RM'000**
As at 30 June 2010					
GROUP					
COST					
At 1 July 2009	125,984	59,398	7,729	4,949	198,060
Additions	879	3,073	560	675	5,187
Disposals	(6,242)	(1,170)	(12)	(341)	(7,765)
Exchange difference	(7,443)	(1,162)	36	17	(8,552)
Written off	–	(423)	(68)	(26)	(517)
Effects of adopting amended FRS 117	855	–	–	–	855
At 30 June 2010	114,033	59,716	8,245	5,274	187,268
ACCUMULATED DEPRECIATION					
At 1 July 2009	46,508	49,624	4,669	3,271	104,072
Charge for the financial year	3,659	2,595	659	606	7,519
Disposals	(1,163)	(911)	(10)	(317)	(2,401)
Exchange difference	(3,090)	(975)	14	20	(4,031)
Written off	–	(379)	(58)	(26)	(463)
Effects of adopting amended FRS 117	69	–	–	–	69
At 30 June 2010	45,983	49,954	5,274	3,554	104,765
NET CARRYING AMOUNT					
At 30 June 2010	68,050	9,762	2,971	1,720	82,503

The net carrying amount of property, plant and equipment acquired under finance lease are as follows:

At 30 June 2011	**–**	**–**	**–**	**–**	**–**	**–**
At 30 June 2010	–	–	–	44	–	–

	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
As at 30 June 2011			
COMPANY			
COST			
At 1 July/ 30 June	**15**	**–**	**15**
ACCUMULATED DEPRECIATION			
At 1 July 2010	**8**	**–**	**8**
Charge for the financial year	**1**	**–**	**1**
At 30 June 2011	**9**	**–**	**9**
NET CARRYING AMOUNT			
At 30 June 2011	**6**	**–**	**6**
As at 30 June 2010			
COST			
At 1 July 2009	15	736	751
Disposal	–	(736)	(736)
At 30 June 2010	15	–	15
ACCUMULATED DEPRECIATION			
At 1 July 2009	6	736	742
Charge for the financial year	2	–	2
Disposal	–	(736)	(736)
At 30 June 2010	8	–	8
NET CARRYING AMOUNT			
At 30 June 2010	7	–	7

13. INVESTMENT PROPERTY

	GROUP 2011 RM'000	GROUP 2010 RM'000
At 1 July	**–**	–
Effects of adopting amended FRS 117	**132**	134
At 30 June	**132**	134

Included in investment property is representing investment property held under lease terms.

The fair value of the investment property was determined by the Directors based on valuations by independent valuers, who hold recognised qualifications and have relevant experience, by reference to market evidence of transaction prices of similar properties or comparable available market data.

14. BIOLOGICAL ASSETS

	GROUP 2011 RM'000	GROUP 2010 RM'000
Cost		
At 1 July	**23,769**	22,067
Exchange fluctuation	**(681)**	1,702
At 30 June	**23,088**	23,769
Accumulated depreciation		
At 1 July	**8,588**	6,870
Charge for the financial year	**1,250**	1,188
Exchange fluctuation	**(342)**	530
At 30 June	**9,496**	8,588
Net carrying amount		
At 30 June	**13,592**	15,181

15. ASSOCIATED COMPANIES

	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
Unquoted shares - at cost	**74,059**	74,059	**4,000**	4,000
Share in post acquisition reserves	**(62,614)**	(61,317)	**–**	–
Total	**11,445**	12,742	**4,000**	4,000

The Group's unrecognised share of losses of associated companies for the financial year are as follows:

	GROUP	
	2011 RM'000	2010 RM'000
At beginning of the financial year	**(104,360)**	(104,717)
Profit not recognised during the financial year	**1,812**	357
At end of the financial year	**(102,548)**	(104,360)

Certain unquoted shares of the Group and of the Company amounting to RM74.1 million (2010: RM74.1 million) and RM4.0 million (2010: RM4.0 million) at cost respectively were pledged as securities for the bonds issued pursuant to the Group Wide Restructuring Scheme ("GWRS").

The associated companies are:

Name of Company	Country of Incorporation	Holding in Equity 2011 %	Holding in Equity 2010 %	Accounting Year End		Principal Activities
Bonuskad Loyalty Sdn Bhd *	Malaysia	**25**	25	31 December	#	Providing marketing services by means of "BonusLink Loyalty Programme"
Changchun Changlin Engine Co Ltd *	China	**49**	49	31 December	#	Manufacture of engines
Changchun Changlin Motorcycle Co Ltd *	China	**49**	49	31 December	#	Manufacture of motorcycles
Davids Distribution Sdn Bhd * (under court liquidation)	Malaysia	**49.16**	49.16	30 June	#	Ceased operation
Lion Asia Investment Pte Ltd *	Singapore	**42.50**	42.50	30 June	#	Investment holding
Lion Jianmin Pte Ltd *	Singapore	**30**	30	30 June	#	Investment holding
1st Avenue Mall Sdn Bhd ^	Malaysia	**30**	30	31 December	#	Holding of properties for long-term investment and rental purposes
Steel Industries (Sabah) Sdn Bhd *	Malaysia	**20**	20	31 December		Manufacturing and trading of steel bars

\# *Holding in equity by subsidiary companies.*

* *Financial statements of associated companies as at 30 June 2011 not audited by Ong Boon Bah & Co.*

^ *The Group's investment in this company is the subject of disposal under the terms of the sale and purchase agreement entered into between the Company and Limbungan Emas Sdn Bhd. The transfer of beneficial ownership was still pending as at year end.*

The summarised financial information of the associated companies are as follows:

	GROUP	
	2011 RM'000	2010 RM'000
Assets and liabilities		
Current assets	**202,578**	221,806
Non-current assets	**150,434**	46,878
Total assets	**353,012**	268,684
Current liabilities	**254,584**	282,164
Non-current liabilities	**175**	78
Total liabilities	**254,759**	282,242
Results		
Revenue	**243,859**	319,862
Net profit for the financial year	**5,142**	12,525

16. SUBSIDIARY COMPANIES

	COMPANY	
	2011 RM'000	2010 RM'000
Unquoted shares	**507,404**	507,404
Impairment losses	**(502,653)**	(502,653)
	4,751	4,751
Unquoted shares outside Malaysia at cost	**2,236**	2,236
Impairment losses	**(2,236)**	(2,236)
	–	–
Total	**4,751**	4,751

The subsidiary companies are:

Name of Company	Country of Incorporation	Holding in Equity 2011 %	2010 %	Principal Activities
Akurjaya Sdn Bhd^	Malaysia	**100**	100	Investment holding, plantation, management and property development
Amalgamated Rolling Mill Sdn Bhd	Malaysia	**100**	100	Trading in steel products and other related services
Ambang Jaya Sdn Bhd	Malaysia	**100**	100	Investment holding
Amsteel Capital Holdings Sdn Bhd	Malaysia	**100**	100	Investment holding and provision of management services to its related companies
Amsteel Harta (L) Limited*	Malaysia	**100**	100	Treasury business
Amsteel Harta (M) Sdn Bhd	Malaysia	**100**	100	Managing of debts novated from the Company and certain of its subsidiary companies pursuant to the GWRS
Angkasa Marketing (Singapore) Pte Ltd*	Singapore	**100**	100	Investment holding
Avenel Sdn Bhd	Malaysia	**100**	100	Investment holding
Ayer Keroh Resort Sdn Bhd^	Malaysia	**70**	70	Investment holding, property development and hotel business
Bungawang Sdn Berhad^	Malaysia	**70**	70	Investment holding
Exuniq Sdn Bhd	Malaysia	**100**	100	Investment holding
Lion Metal Industries Sdn Bhd^	Malaysia	**100**	100	Provision of storage facilities
Lion Plantations Sdn Bhd	Malaysia	**70**	70	Investment holding
Lion Tooling Sdn Bhd	Malaysia	**100**	100	Manufacture and sale of tools and dies
Mastrama Sdn Bhd	Malaysia	**100**	100	Investment holding
ACB Harta Holdings Sdn Bhd	Malaysia	**100**	100	Investment holding
Timuriang Sdn Bhd	Malaysia	**100**	100	Investment holding
Visionwell Sdn Bhd^	Malaysia	**80**	80	Property development
Ambang Maju Sdn Bhd^	Malaysia	**100**	70	# Investment holding
AMS Securities (S) Pte Ltd*	Singapore	**100**	100	# Ceased operation
Amcap Consultants Limited*	Hong Kong	**100**	100	# Ceased operation
Amsteel Equity Realty (M) Sdn Bhd*	Malaysia	**100**	100	# Property investment and management
Amsteel Finance (HK) Limited*	Hong Kong	**100**	100	# Ceased operation
Amsteel Holdings (HK) Limited*	Hong Kong	**100**	100	# Investment holding

Name of Company	Country of Incorporation	Holding in Equity 2011 %	2010 %	Principal Activities
Amsteel Holdings Philippines, Inc.*	Philippines	**100**	100	# Investment holding
Amsteel Research (M) Sdn Bhd*	Malaysia	**100**	100	# Dormant
Amsteel Equity Capital Sdn Bhd*	Malaysia	**100**	100	# Ceased operation
Amsteel Securities Philippines, Inc.*	Philippines	**100**	100	# Ceased operation
Amsteel Strategic Investors Alliance, Inc.*	Philippines	**100**	100	# Ceased operation
Andalas Development Sdn Bhd^	Malaysia	**100**	100	# Property development
Angkasa Logistic Pte Ltd*	Singapore	**100**	100	# Transportation and logistic services
Anika Developments Sdn Bhd	Malaysia	**100**	100	# Contract management
Aquabio Holdings Sdn Bhd^	Malaysia	**100**	100	# Property development
Araprop Development Sdn Bhd^	Malaysia	**100**	100	# Property development
Bandar Akademia Sdn Bhd^	Malaysia	**100**	100	# Real estate development
Bandar Akademia Corporation (M) Sdn Bhd^	Malaysia	**100**	100	# Real estate development
Benecorp Sdn Bhd	Malaysia	**100**	100	# Temporary ceased operation
Budmouth Limited*	Hong Kong	**100**	100	# Investment holding
Chembong Malay Rubber Company (1920) Limited	United Kingdom	**100**	100	# Ceased operation
Cibber Limited*	Hong Kong	**100**	100	# Investment holding
Datavest Sdn Bhd	Malaysia	**100**	100	# Investment holding
Davids Warehousing Sdn Bhd* (In Liquidation - Voluntary)	Malaysia	**51**	51	# Ceased operation
Geldart Investment Pte Ltd*	Singapore	**100**	100	# Investment holding
Harbour Home Sdn Bhd^	Malaysia	**100**	100	# Investment holding and cultivation of rubber and oil palm
Henrietta Rubber Estate Limited	United Kingdom	**100**	100	# Ceased operation
Hiap Joo Chong Realty Sdn Bhd	Malaysia	**100**	100	# Investment holding
Hy-Line Berhad^	Malaysia	**100**	100	# Operation and management of a golf and country club
Jilin Motor City Park Hotel Co Ltd*	China	**60**	60	# Ownership and operation of a hotel
Khidmat Kelana (M) Sdn Bhd^	Malaysia	**100**	100	# Investment holding

Name of Company	Country of Incorporation	Holding in Equity 2011 %	2010 %	Principal Activities
KL Home, Garden & Leisure Centre Sdn Bhd^	Malaysia	**100**	100	# Investment holding
Kobayashi Optical Sdn Bhd	Malaysia	**70**	70	# Ceased operation
Kobayashi Optical (S) Pte Ltd*	Singapore	**100**	100	# Dormant
Konming Investments Limited*	Hong Kong	**100**	100	# Investment holding
Lion Commodities And Futures Trading Sdn Bhd	Malaysia	**100**	100	# Landscaping business
Westlake Landscape Sdn Bhd (formerly known as Lion Plaza Sdn Bhd)*	Malaysia	**100**	100	# Dormant
Masbeef Sdn Bhd	Malaysia	**100**	100	# Investment holding
Masoni Investment Pte Ltd*	Singapore	**100**	100	# Investment holding
Natvest Parkson Sdn Bhd	Malaysia	**100**	100	# Investment holding
P T Amsteel Securities Indonesia*	Indonesia	**85**	85	# Ceased operation
P T Kebunaria*	Indonesia	**85**	85	# Cultivation of oil palm
Pacific Agriculture And Development Sdn Bhd^	Malaysia	**100**	100	# Cultivation of oil palm and rubber, and property development
Parkson's Holdings (S) Pte Ltd*	Singapore	**100**	100	# Investment holding
Parkson Retail Consulting And Management Sdn Bhd	Malaysia	**100**	100	# Investment holding
Parkson Superstore (HK) Limited* (Deregistered on 24.12.2010)	Hong Kong	**–**	100	# Dormant
Romiti Limited*	Hong Kong	**100**	100	# Investment holding
Salient Care Sdn Bhd	Malaysia	**70**	70	# Dormant
Sea World Attraction Sdn Bhd^	Malaysia	**100**	100	# Investment holding
Secom (Malaysia) Sdn Bhd*	Malaysia	**51**	51	# Provision of security services and sale of security related equipment
Secom-KOP Security Systems Sdn Bhd*	Malaysia	**60**	60	# Provision of security services and sale of security related equipment
Segamat Land Berhad	Malaysia	**100**	100	# Ceased operation
Stowinco Sdn Bhd^	Malaysia	**100**	100	# Investment holding
Sukhothai Food Sdn Bhd	Malaysia	**100**	100	# Investment holding
Superior Achievement Sdn Bhd^	Malaysia	**100**	100	# Investment holding
The Brooklands Selangor Rubber Company Limited^	United Kingdom	**100**	100	# Investment holding

Name of Company	Country of Incorporation	Holding in Equity 2011 %	2010 %	Principal Activities
The Lenggeng Rubber Company Limited^	United Kingdom	**100**	100	# Investment holding
Umatrac Enterprises Sdn Bhd	Malaysia	**100**	100	# Investment holding
WGD Retail Consultancy Sdn Bhd	Malaysia	**100**	100	# Ceased operation

* *Financial statements of subsidiary companies as at 30 June 2011 not audited by Ong Boon Bah & Co.*

\# *Holding in equity by subsidiary companies.*

^ *These companies are the subject of disposal under the terms of the sale and purchase agreement entered into between the Company and Limbungan Emas Sdn Bhd. The Company no longer has management control of these companies and these companies are classified as discontinued operations since the previous year. However, the transfer of beneficial ownership was still pending as at year end.*

Certain subsidiary companies' financial statements for the financial year ended 30 June 2011 were commented on by their respective auditors as follows:

(i) P T Amsteel Securities Indonesia - an "unable to express and do not express an opinion" qualification due to the following:

(a) On 1 December 1997, the company was suspended from capital market activities by the relevant authorities. For commercial reasons, the company had on 1 July 1998 downsized its entire operations and maintain its presence until subsequent economic recovery would enable the company to revive its activities; and

(b) The company's accumulative deficit due to recurring operating losses up to 30 June 2011 and 30 June 2010 amounted to Rp153,386,481,717 and Rp153,364,345,717 respectively. The company has a capital deficiency for the financial years ended 30 June 2011 and 30 June 2010 amounting to Rp142,386,481,717 and Rp142,364,345,717 respectively. As a result, there is significant uncertainty whether the company will be able to continue as a going concern.

(ii) Amsteel Holdings Philippines, Inc. - an "unable to express and do not express an opinion" qualification due to a net income of 92 million peso and net income of 66 million peso for the financial years ended 30 June 2011 and 30 June 2010 respectively and has a net capital deficiency of 1.5 billion peso for the financial years ended 30 June 2011 and 30 June 2010 respectively. On 14 September 1998, the company adopted a resolution authorising the management to implement a "de facto" phase out of the company's operations in accordance with the consensus arrived at during the meeting held on 20 August 1998. The activities of the company thereafter are limited to the realisation of assets and settlement of liabilities.

(iii) Amsteel Securities Philippines, Inc. - an "unable to express and do not express an opinion" qualification due to recurring losses from operations of 0.1 million peso and 0.06 million peso for the financial years ended 30 June 2011 and 30 June 2010 and has a net capital deficiency of 277 million peso for both the financial years. On 14 September 1998, the company adopted a resolution authorising the management to implement a "de facto" phase out of the company's operations in accordance with the consensus arrived at during the meeting held on 20 August 1998. The company has ceased to carry on the business of stockbroker and dealer upon the sale of its exchange seat in the Philippine Stock Exchange. The activities of the company thereafter are limited to the realisation of assets and settlement of liabilities.

(iv) Amsteel Strategic Investors Alliance, Inc. - raised doubt about the company's ability to continue as a going concern in view of the recurring losses suffered from operations of 15,000 peso for each of the financial years ended 30 June 2011 and 30 June 2010. The company has a net capital deficiency of 0.44 million peso and 0.42 million peso for the financial years ended 30 June 2011 and 30 June 2010 respectively. On 1 July 1998, the management decided to wind down its operations and maintain its presence until subsequent economic recovery will enable the company to revive its activities.

17. JOINTLY CONTROLLED ENTITIES

	GROUP 2011 RM'000	GROUP 2010 RM'000
Capital contribution	–	160
Share of profit from joint-ventures	–	187
Impairment losses	–	(31)
	–	316
Less: Cash received	–	(316)
	–	–

The Group's proportionate share of the assets and liabilities of the joint-ventures is as follows:

	GROUP 2011 RM'000	GROUP 2010 RM'000
Current Assets		
Deposits, cash and bank balances	–	475
Current Liabilities		
Payables	–	(475)
Net Assets Employed	–	–

The joint-venture company is:

Name of Joint-Venture	Holding in Equity by Subsidiary Company 2011 %	Holding in Equity by Subsidiary Company 2010 %	Accounting Year End	Principal Activities
Triwater Sdn Bhd (Struck off on 10.01.2011)	–	43.07	31 December	Ceased operation

18. INVESTMENTS

	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
Non-current				
Shares quoted in Malaysia at cost	–	16,339	–	6,380
Impairment losses	–	(30)	–	–
	–	16,309	–	6,380
Shares quoted outside Malaysia at cost	–	46,985	–	–
Impairment losses	–	(25,653)	–	–
	–	21,332	–	–
Unquoted investments at cost	–	137	–	128
LCB Bonds*	–	877,626	–	877,626
LCB RCSLS**	–	67,640	–	67,640
	–	945,403	–	945,394
Total	–	983,044	–	951,774
Market value of:				
Shares quoted in Malaysia	–	27,650	–	8,245
Shares quoted outside Malaysia	–	21,332	–	–
	–	48,982	–	8,245
Non-current				
Available-for-sale financial assets				
Shares quoted in Malaysia at fair value	**17,129**	–	**10,470**	–
Shares quoted outside Malaysia at fair value	**28,054**	–	–	–
Unquoted shares and investments at amortised cost	**137**	–	**128**	–
	45,320	–	**10,598**	–
Held-to-maturity investment at amortised cost				
LCB Bonds*	**792,039**	–	**792,039**	–
Loan and receivables at amortised cost				
LCB RCSLS**	**41,258**	–	**41,258**	–
Total	**878,617**	–	**843,895**	–

	GROUP		COMPANY	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Current				
FVTPL investments***				
Shares quoted in Malaysia at fair value	**1,157**	–	**–**	–
Held-to-maturity investment at amortised cost				
LCB Bonds*	**145,762**	–	**145,762**	–
Loan and receivables at amortised cost				
LCB RCSLS**	**19,096**	–	**19,096**	–
	166,015	–	**164,858**	–
Total	**1,044,632**	–	**1,008,753**	–
Market value of:				
Shares quoted in Malaysia	**18,286**	–	**10,470**	–
Shares quoted outside Malaysia	**28,054**	–	**–**	–
	46,340	–	**10,470**	–

Certain investments of the Group and of the Company amounting to RM1,045 million and RM1,008 million (2010: RM983 million and RM951 million) respectively were pledged as securities for bonds issued pursuant to the GWRS and as security for an amount due to a main contractor as a result of debts assumed from a subsidiary company disposed of in the previous financial years.

* Represents unquoted bonds issued by Lion Corporation Berhad.
** Represents redeemable convertible secured loan stocks issued by Lion Corporation Berhad.
*** Represents financial assets at fair value through profit or loss.

19. GOODWILL

	GROUP	
	2011	2010
	RM'000	RM'000
Cost:		
At beginning of the financial year	**49,183**	49,183
Impairment losses	**(49,183)**	(49,183)
At end of the financial year	**–**	–

20. RECEIVABLES

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Deferred consideration	**412,114**	412,758	**412,114**	412,758
Less: Non-current	**–**	(412,758)	**–**	(412,758)
	412,114	–	**412,114**	–
Trade receivables	**40,469**	35,970	**–**	–
Allowance for doubtful receivables	**(2,217)**	(1,761)	**–**	–
	38,252	34,209	**–**	–
Other receivables, deposits and prepayments	**125,351**	366,777	**69,823**	130,924
Allowance for doubtful receivables	**(26,990)**	(203,202)	**(1,961)**	(4,362)
	98,361	163,575	**67,862**	126,562
Amount due from subsidiary companies	**–**	–	**2,923,084**	2,933,870
Allowance for doubtful receivables	**–**	–	**(1,369,738)**	(1,279,620)
	–	–	**1,553,346**	1,654,250
Amount due from associated companies	**87,859**	88,409	**65,359**	65,904
Allowance for doubtful receivables	**(65,367)**	(39,944)	**(42,911)**	(32,993)
	22,492	48,465	**22,448**	32,911
Total	**571,219**	246,249	**2,055,770**	1,813,723

The deferred consideration arose from the disposal of subsidiary companies pursuant to the corporate and debts restructuring scheme in 2009.

The Group's normal trade credit term ranges from 21 days to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single customer or to groups of customers.

The amounts due from subsidiary companies which arose mainly from inter-company advances are unsecured and repayable on demand. The amount due from certain subsidiary companies bears an effective interest rate of 1% per annum (2010: Interest free).

The amounts due from associated companies which arose mainly from inter-company advances are unsecured, interest free and repayable on demand.

Included in the Group's trade receivables balance are debtors which are past due at the end of reporting period for which the Group has not provided as there has not been a significant change in credit quality and the Group believes that the amounts are still considered fully recoverable. The Group does not hold any collateral over these balances.

The table below is an analysis of trade receivables as of 30 June 2011:

	GROUP 2011 RM'000
Neither past due nor impaired	**3,358**
1 - 30 days past due but not impaired	**3,940**
31 - 60 days past due but not impaired	**1,002**
61 - 90 days past due but not impaired	**3,730**
More than 90 days past due but not impaired	**26,222**
	38,252
Past due and impaired	**2,217**
Total trade receivables	**40,469**

Movement in the allowance for impairment of trade receivables as of 30 June 2011 is as follows:

	GROUP 2011 RM'000
Balance at beginning of the financial year	**1,761**
Current year	**456**
Balance at end of the financial year	**2,217**

In determining the recoverability of a trade receivable, the Group and the Company consider any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period.

The currency exposure profile of receivables is as follows:

	GROUP		COMPANY	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Ringgit Malaysia	**543,781**	221,120	**1,690,966**	1,387,098
Chinese Renminbi	**2,450**	1,564	**194**	194
Singapore Dollar	**22,492**	16,552	**74,409**	74,224
Hong Kong Dollar	**1,922**	6,423	**201,965**	200,547
Others	**574**	590	**88,236**	151,660
	571,219	246,249	**2,055,770**	1,813,723

21. PROPERTY DEVELOPMENT ACTIVITIES

Property development costs

	GROUP 2011 RM'000	GROUP 2010 RM'000
At beginning of the financial year	**522**	–
Costs incurred during the financial year:		
- land, at cost	**–**	53
- development costs	**316**	1,700
	316	1,753
Cost charged to statements of comprehensive income	**(691)**	(1,231)
At end of the financial year	**147**	522

22. INVENTORIES

	GROUP 2011 RM'000	GROUP 2010 RM'000
At cost:		
Raw materials	**189**	76
Finished goods	**1,785**	2.526
General and consumable stores	**1,087**	1,024
Work-in-progress	**2,087**	1,444
Completed property units for sale	**365**	421
	5,513	5,491
At net realisable value:		
Marketable securities	**–**	2,399
Total	**5,513**	7,890

23. DEPOSITS, CASH AND BANK BALANCES

	GROUP 2011 RM'000	GROUP 2010 RM'000	COMPANY 2011 RM'000	COMPANY 2010 RM'000
Deposits with licensed financial institutions	**78,230**	127,079	**28,336**	84,459
Cash and bank balances	**21,129**	23,622	**5,975**	2,453
	99,359	150,701	**34,311**	86,912

Certain deposits included in deposits with licensed financial institutions are:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Pledged as security for credit facilities granted to the Group	**5**	5	**–**	–
Earmarked for bond redemption under the GWRS	**19,676**	77,941	**19,616**	77,820
	19,681	77,946	**19,616**	77,820

The currency exposure profile of deposits, cash and bank balances is as follows:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Ringgit Malaysia	**93,244**	146,513	**34,311**	86,912
Others	**6,115**	4,188	**–**	–
	99,359	150,701	**34,311**	86,912

The average interest rates of deposits at the end of the financial year is 2.8% (2010: 2.6%) per annum.

The average maturities of deposits as at the end of the financial year is 220 days (2010: 18 days).

24. SHARE CAPITAL

	GROUP AND COMPANY	
	2011	**2010**
	RM'000	**RM'000**
Authorised:		
2,000,000,000 ordinary shares of RM1.00 each	**2,000,000**	2,000,000
Issued and fully paid:		
1,331,174,812 ordinary shares of RM1.00 each	**1,331,175**	1,331,175

The Executive Share Option Scheme ("ESOS") of the Company established for the benefit of eligible executive Directors and executive employees of the Group which became effective on 1 June 2006, expired on 31 May 2011. The main features of the ESOS are as follows:

(a) Executive directors and confirmed executive employees of the Group who have been employed on a continuous full time basis for a period of not less than six months on the date of offer shall be eligible to participate in the ESOS.

(b) The aggregate number of options exercised and options offered and to be offered under the ESOS shall not exceed 15% of the issued and paid-up share capital of the Company at any one time during the duration of the ESOS subject to the following being complied with:

  (i) not more than 50% of the shares available under the ESOS shall be allocated, in aggregate, to executive directors and senior management; and

  (ii) not more than 10% of the shares available under the ESOS shall be allocated to any eligible executive who, either singly or collectively through persons connected with him or her (as defined in paragraph 1.01 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements), holds 20% or more of the issued and paid-up capital of the Company.

(c) No options shall be granted for less than 100 ordinary shares nor more than the maximum allowable allotment and each grant of options shall be in multiples of 100 ordinary shares.

(d) The subscription price of each ordinary share under the ESOS shall be the weighted average market price of the shares for the 5 market days immediately preceding the date of offer on which the shares were traded with a discount of not more than 10%, or the par value of the shares, whichever is the higher.

(e) The ESOS shall continue to be in force for a period of 5 years and the Company may, if the Board deems fit upon the recommendation of the Option Committee, renew the ESOS for a further 5 years, without further approval of the relevant authorities.

No options were granted or exercised pursuant to the ESOS during the financial year.

25. RESERVES

	← Non-distributable		→	
	Translation RM'000	Capital reserve RM'000	Fair value reserve RM'000	Total RM'000
GROUP				
Balance at 1 July 2009	(49,308)	469,569	–	420,261
Total comprehensive loss for the year, net of tax	(11,599)	–	–	(11,599)
Balance at 30 June 2010	**(60,907)**	**469,569**	**–**	**408,662**
Effects on adoption of FRS 139	**–**	**–**	**(13,915)**	**(13,915)**
	(60,907)	**469,569**	**(13,915)**	**394,747**
Total comprehensive income for the year, net of tax	**4,126**	**–**	**1,640**	**5,766**
Balance at 30 June 2011	**(56,781)**	**469,569**	**(12,275)**	**400,513**

Capital reserve comprises profits recognised by a subsidiary company set up to manage the Ringgit Malaysia debts under the GWRS amounting to RM437.9 million.

26. ACB BONDS AND USD DEBTS - SECURED

	GROUP		COMPANY	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Current				
- ACB Bonds	**489,360**	167,558	**489,360**	167,558
- ACB Debts	**–**	–	**992,763**	421,948
- ACB Consolidated and Rescheduled Debts	**928,716**	413,035	**–**	–
	1,418,076	580,593	**1,482,123**	589,506
Non-current				
- ACB Bonds	**118,656**	441,747	**118,656**	441,747
- ACB Debts	**–**	–	**188,922**	931,108
- ACB Consolidated and Rescheduled Debts	**169,250**	857,060	**–**	–
	287,906	1,298,807	**307,578**	1,372,855
Total				
- ACB Bonds	**608,016**	609,305	**608,016**	609,305
- ACB Debts	**–**	–	**1,181,685**	1,353,056
- ACB Consolidated and Rescheduled Debts	**1,097,966**	1,270,095	**–**	–
	1,705,982	1,879,400	**1,789,701**	1,962,361

The ACB Bonds and USD Debts are repayable over the following periods:

	GROUP		COMPANY	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Within one year	**1,418,076**	580,593	**1,482,123**	589,506
More than one year and less than two years	**133,816**	1,014,530	**134,270**	1,068,105
More than two years and less than five years	**154,090**	284,277	**173,308**	304,750
	1,705,982	1,879,400	**1,789,701**	1,962,361

The currency exposure profile of ACB Bonds and USD Debts is as follows:

	GROUP		COMPANY	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Ringgit Malaysia	**608,016**	609,305	**608,016**	609,305
United States Dollar	**1,097,966**	1,270,095	**1,181,685**	1,353,056
	1,705,982	1,879,400	**1,789,701**	1,962,361

The Company had on 27 February 2009, implemented the corporate and debts restructuring scheme ("ACB Scheme") which is to address its debts obligation to redeem/repay the ACB Bonds and USD Debts issued by the Company and its subsidiary company pursuant to the GWRS.

The implementation of the ACB Scheme led to consequential changes to the principal terms and conditions of the ACB Bonds and USD Debts.

The principal terms and conditions of the ACB Bonds and USD Debts are as follows:

(i) The tranches of RM denominated bonds ("ACB Bonds") issued by the Company are as follows:

ACB Bonds	**Nominal Value RM'000**	**Net Present Value RM'000**	**Maturity Date**	**Cash Yield to Maturity (per annum)**
Class A(1)	40,058	34,740	31 December 2011	7.00%
Class A(2)	32,907	29,133	31 December 2011	6.00%
Class B(a)	265,537	238,460	31 December 2014	4.00%
Class B(b)	*	*	31 December 2014	7.00%
Class C #	340,049	303,475	31 December 2011	4.75%

(ii) The tranches of USD Debts ("ACB Debts") issued by the Company to a subsidiary company are as follows:

ACB Debts	**Nominal Value USD'000**	**Net Present Value USD'000**	**Maturity Date**	**Cash Yield to Maturity (per annum)**
Class A(1)	142,047	123,186	31 December 2011	6.75%
Class A(2)	1,620	1,443	31 December 2011	5.50%
Class B	129,777	115,184	31 December 2014	3.50%
Class C #	198,849	179,761	31 December 2011	4.25%

(iii) The tranches of USD Debts ("ACB Consolidated and Rescheduled Debts") issued by a subsidiary company are as follows:

USD Debts	**Nominal Value USD'000**	**Net Present Value USD'000**	**Maturity Date**	**Cash Yield to Maturity (per annum)**
Class A(1)	125,285	109,778	31 December 2011	6.50%
Class A(2)	1,441	1,313	31 December 2011	5.25%
Class B	120,801	109,300	31 December 2014	3.25%
Class C #	194,328	176,698	31 December 2011	4.00%

* *Less than RM1,000*

\# *There is no change to the yield to maturity and maturity date of the Class C ACB Bonds and USD Debts in view that Class C ACB Bonds and USD Debts are not restructured.*

<u>Securities and covenants for the ACB Bonds and USD Debts</u>

The Security Trustee holds the following securities for and on behalf for the benefit of the holders of ACB Bonds and USD Debts ("Securities"):

(a) the assets included in the Divestment Programme for the Group which encompass properties that are subject to the sale and purchase agreement dated 21 May 2008 (as varied /supplemented) entered into between the Company and Limbungan Emas Sdn Bhd ("Agreement");

(b) Class B LCB Bonds received by the Company pursuant to the GWRS;

(c) The Redemption Account held by the Company where it will capture the "Dedicated Cash Flows" pursuant to the GWRS and ACB Scheme. Dedicated Cash Flows mean cash flows from the following sources:

- net surplus proceeds from the disposal of any assets in the Divestment Programme of the Group over which there is existing security, if applicable and assets under the Agreement;

- net proceeds from the disposal of any assets in the Divestment Programme of the Group over which there is no existing security;

- any Back-End Amount and Loyalty Payment received by the Company as a holder of LCB Bonds;

- net proceeds of the redemption of LCB Bonds and LCB RCSLS (not fully tendered and/or exchanged for) received by the Company;

- net proceeds from the disposal of LCB RCSLS received by the Company pursuant to the put and call option agreement with Tan Sri William H.J. Cheng;

- net proceeds from the disposal of any residual assets (other than the assets in the Divestment Programme) of the Group;

- net proceeds from the adjusted assets and liabilities pursuant to ACB internal reorganisation under the ACB Scheme;

- net proceeds from such other securities as may be provided by the Group.

Classes A(1) and A(2) ACB Bonds and USD Debts and Class B ACB Bonds and USD Debts rank *pari passu* amongst each other over the Securities under items (a) to (c) above held by the Security Trustee.

Class C ACB Bonds and USD Debts rank *pari passu* amongst each other over the Securities under items (a) to (c) above held by the Security Trustee.

The Classes A(1), A(2) and B ACB Bonds and USD Debts will rank in priority over Class C ACB Bonds and USD Debts over the Securities under items (a) to (c) above held by the Security Trustee.

In addition, the following are the securities provided in respect of the USD Debts ("SPV Securities"):

(a) Assignment of all the rights attaching to the ACB Debts including the rights to receive payments from the Company and rights to other entitlements;

(b) A debenture over the assets (namely ACB Debts) of a subsidiary company;

(c) A charge over a subsidiary company's Redemption Account which will capture the proceeds from the repayment of the ACB Debts by the Company; and

(d) Corporate guarantee by the Company to the Facility Agent for the benefit of holders of the USD Debts.

Monies captured in the Redemption Account can only be utilised towards the repayment of USD Debts and cannot be utilised by the subsidiary company for any other purposes.

The Classes A(1), A(2) and B USD Debts will rank *pari passu* amongst each other in respect of the SPV Securities listed under items (a) to (d) and rank ahead of the Class C USD Debts in respect of the SPV Securities. Meanwhile, the Class C USD Debts will rank *pari passu* amongst each other in respect of the SPV Securities.

Classes A(1), A(2), B and C ACB Bonds and USD Debts shall rank *pari passu* with all other unsecured and unsubordinated creditors of the Group in respect of the Group's assets which are not part of the Securities.

The main covenants of the ACB Bonds and USD Debts are as follows:

(a) Permitted indebtedness

At any time, any indebtedness for borrowed moneys incurred or assumed by the Group and any scheme companies in respect of which the aggregate principal amount committed or provided by the lenders together with the aggregate amount of all indebtedness of the Group and any scheme companies at the time of incurrence does not exceed the following limits:

(i) where the total redemption amounts of the ACB Bonds redeemed, or cancelled pursuant to an early redemption or purchase, and the total repayment amounts of the USD Debts repaid and in the case of an early repayment or purchased, the total repayment amounts in respect of the USD Debts repaid or purchased, up to the relevant time when the indebtedness is incurred or proposed to be incurred (which amount shall exclude amounts paid in respect of the Class B(b) Bonds) and the up-front cash payment made on 31 January 2003 (collectively "Repaid Amount") is less than 50% of the aggregate outstanding nominal value of all ACB Bond and the outstanding repayment amounts of all the USD Debts (other than the Class B(b) Bonds) as at the issue date of the ACB Bonds, the limit shall be 20% of that Repaid Amounts;

(ii) where the total Repaid Amounts is equal to or exceeding 50% but less than 75% of the aggregate outstanding for nominal values of all ACB Bonds and the outstanding repayment amounts of all the USD Debts (other than the Class B(b) Bonds) as at the issue date of the ACB Bonds, the limit shall be 35% of that Repaid Amounts; and

(iii) where the total Repaid Amounts is equal to or more than 75% of the aggregate outstanding nominal values of all ACB Bonds and the outstanding repayment amounts of all the USD Debts (other than the Class B(b) Bonds) as at the issue date of the ACB Bonds, the limit shall be 50% of that Repaid Amounts.

(b) Disposal of Divestment Assets

The disposal of Divestment Assets shall require prior consent from the Security Trustee where:

(i) the disposal price of such Divestment Asset is at a discount rate of 20% or more of the market value of the said Divestment Asset; and/or

(ii) the disposal price of such Divestment Asset is equal to or more than RM5.0 million; and/or

(iii) the sale of such Divestment Asset is to a related party.

(c) Disposal of assets/shares (other than Divestment Assets and those assets acquired by the Group after 14 March 2003 which are funded from monies other than the Dedicated Cashflow).

The disposal of assets/shares shall require prior consent from the Security Trustee where:

(i) the disposal price is more than RM25.0 million or 20% or more than the audited consolidated net tangible assets of the Company, whichever is lower; and

(ii) the disposal price is at a discount rate of 20% or more of the market value of the said asset/share.

(d) Capital expenditure

Prior written consent from the Security Trustee/Facility Agent before the Group (other than the excluded companies) incurs any capital expenditure:

(i) for any new investment which is not within the core business(es) of the Group as set out in the Trust Deed; and

(ii) exceeding 25% of the consolidated net tangible assets of the Company.

As reported in the previous financial statements:

(a) in consideration of the holders of ACB Bonds and USD Debts granting the indulgence and approval to vary the redemption date and the repayment date of ACB Bonds and USD Debts, additional securities were charged in favour of the Security Trustee on shares in certain subsidiary companies of the Company with an adjusted net tangible assets of RM5 million or more, provided such shares are not encumbered;

(b) commencing 1 January 2005, interest payable as penalty for late redemption/repayment of any redemption amount/repayment amount shall be calculated on a simple interest basis instead of on a compound basis.

During the current financial year, the holders of ACB Bonds and USD Debts have granted the indulgence and approval to vary the redemption date of the Class A ACB Bonds and USD Debts which was due on 31 December 2010 to 31 December 2011.

27. FINANCE LEASE LIABILITIES

	GROUP	
	2011	**2010**
	RM'000	**RM'000**
Minimum lease payments		
- not later than one year	**32**	21
- later than one year and not later than five years	**–**	40
	32	61
Less: Future finance charges	**–**	(12)
Present value of finance lease liabilities	**32**	49

Present value of finance lease liabilities are as follows:

	GROUP	
	2011	**2010**
	RM'000	**RM'000**
- not later than one year	**32**	19
- later than one year and not later than five years	**–**	30
	32	49

The finance lease liabilities bear interest at rates ranging from 2.3% to 10% (2010: 2.3% to 10%) per annum.

28. DEFERRED TAX

	GROUP 2011 RM'000	GROUP 2010 RM'000
At beginning of the financial year	**1,212**	1,383
Recognised in statements of comprehensive income (Note 10)	**197**	(171)
At end of the financial year	**1,409**	1,212

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

Deferred tax liabilities

	GROUP 2011 RM'000	GROUP 2010 RM'000
At beginning of the financial year	**1,212**	1,383
Recognised in statements of comprehensive income (Note 10)	**197**	(171)
At end of the financial year	**1,409**	1,212

Deferred tax liabilities provided for in the financial statements:

	GROUP 2011 RM'000	GROUP 2010 RM'000
- excess of capital allowances over depreciation	**1,983**	1,705
- tax effects of revaluation of plantation lands	**35**	35
- other temporary differences	**(609)**	(528)
	1,409	1,212

Deferred tax assets

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

	GROUP 2011 RM'000	GROUP 2010 RM'000
- unabsorbed capital allowances	**9,178**	9,155
- unutilised tax losses	**162,274**	167,657
	171,452	176,812

The unutilised tax losses and unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the subsidiary companies in which those items arose. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiary companies in the Group and they have arisen in subsidiary companies that have a recent history of losses.

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

29. PAYABLES

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Trade payables	**4,295**	3,495	**–**	–
Other payables	**105,831**	88,393	**3,492**	3,914
Amount due to associated companies	**140**	134	**–**	–
Amount due to subsidiary companies	**–**	–	**808,043**	804,477
	110,266	92,022	**811,535**	808,391

The normal trade credit term granted to the Group ranges from 30 days to 120 days.

The amounts due to associated companies which arose mainly from inter-company advances are unsecured, interest free and repayable on demand.

The amounts due to subsidiary companies which arose mainly from inter-company advances are unsecured, interest free and repayable on demand.

The currency exposure profile of payables is as follows:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Ringgit Malaysia	**85,192**	58,606	**811,535**	808,391
Chinese Renminbi	**20,896**	24,643	**–**	–
Others	**4,178**	8,773	**–**	–
	110,266	92,022	**811,535**	808,391

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

Related parties are entities in which a Director or a substantial shareholder of the Company or its subsidiary companies or persons connected to such Director or substantial shareholder has an interest, excluding those parties disclosed as related companies in the financial statements.

(a) Sales of goods and services

	GROUP	
	2011	**2010**
	RM'000	**RM'000**
Sales of goods and services to:		
- Megasteel Sdn Bhd	**3,635**	3,065
- Amsteel Mills Sdn Bhd	**2,583**	3,354
- Bright Steel Sdn Bhd	**634**	967
- Antara Steel Mills Sdn Bhd	**701**	1,344
- Parkson Corporation Sdn Bhd	**94**	342

Megasteel Sdn Bhd is a subsidiary company of Lion Corporation Berhad ("LCB"), a substantial shareholder of the Company.

Amsteel Mills Sdn Bhd is a substantial shareholder of the Company.

Bright Steel Sdn Bhd is a wholly-owned subsidiary company of LCB.

Antara Steel Mills Sdn Bhd is a wholly-owned subsidiary company of Amsteel Mills Sdn Bhd.

Parkson Corporation Sdn Bhd is a subsidiary company of Parkson Holdings Berhad, a company in which a Director and certain substantial shareholders of the Company have interests.

(b) Purchases of goods

	GROUP	
	2011 **RM'000**	**2010** **RM'000**
Purchases of goods from:		
- Secom Co., Ltd.	**1,439**	1,011
- Shanghai Nohmi Secom Fire Protection Equipment Co., Ltd	**402**	432

Secom Co Ltd is a substantial shareholder of Secom (Malaysia) Sdn Bhd, a subsidiary company of the Company.

Shanghai Nohmi Secom Fire Protection Equipment Co., Ltd is a subsidiary company of Secom Co., Ltd.

The Directors of the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are no more favourable to the related parties than those arranged with independent third parties.

31. CONTINGENT LIABILITIES

	GROUP	
	2011 **RM'000**	**2010** **RM'000**
Unsecured:		
Legal claims in respect of the termination of contracts for the extraction and sale of timber	**313,300**	313,300

The contingent liabilities arose out of an indemnity contract whereby a subsidiary company of the Group, agreed to indemnify in full, litigation suits and any other claims brought by third parties against Sabah Forest Industries Sdn Bhd, a former subsidiary company of Lion Forest Industries Berhad ("LFIB"). LFIB ceased to be a subsidiary company of the Company upon the implementation of the GWRS.

32. SEGMENT INFORMATION

(a) Business Segments:

The Group is organised into three major business segments:

(i) Security services - provision of security services and sale of security related equipment;

(ii) Hotel - operation of hotel;

(iii) Investment holding and others - investment holding, manufacture and sale of tools and dies, cultivation of oil palm, and others.

The Directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are no more favourable to the related parties than those arranged with unrelated parties.

30 June 2011

	Security services RM'000	Hotel RM'000	Investment holding and others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External sales	45,606	18,308	85,272	–	149,186
Inter-segment sales	12	–	–	(12)	–
	45,618	18,308	85,272	(12)	149,186
Result					
Segment results	10,776	1,200	48,597	–	60,573
Gain on foreign exchange - unrealised					76,026
Finance costs					(75,342)
Share in results of associated companies	–	–	(897)	–	(897)
Profit before tax					60,360
Tax expense					(989)
Net profit for the financial year					59,371
Assets					
Segment assets	71,074	62,805	1,678,851	–	1,812,730
Associated companies	–	–	11,445	–	11,445
Unallocated assets					18,558
Consolidated total assets					1,842,733
Liabilities					
Segment liabilities	11,315	16,471	1,790,271	–	1,818,057
Unallocated liabilities					1,462
Consolidated total liabilities					1,819,519
Other information					
Capital expenditure	1,204	1,828	551	–	3,583
Depreciation	3,339	3,999	510	–	7,848
Amortisation	–	–	1,250	–	1,250
Other non-cash expenses	475	104	26,998	–	27,577

30 June 2010

	Security services RM'000	Hotel RM'000	Investment holding and others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External sales	40,885	13,980	78,735	–	133,600
Inter-segment sales	–	–	–	–	–
	40,885	13,980	78,735	–	133,600
Result					
Segment results	9,088	(2,238)	61,266	–	68,116
Gain on foreign exchange - unrealised					107,312
Finance costs					(85,073)
Share in results of associated companies	–	–	2,001	–	2,001
Profit before tax					92,356
Tax expense					(2,807)
Net profit for the financial year					89,549
Assets					
Segment assets	59,820	64,018	1,775,144	–	1,898,982
Associated companies	–	–	12,742	–	12,742
Unallocated assets					10,668
Consolidated total assets					1,922,392
Liabilities					
Segment liabilities	7,031	17,654	1,948,500	–	1,973,185
Unallocated liabilities					1,445
Consolidated total liabilities					1,974,630
Other information					
Capital expenditure	3,265	1,398	524	–	5,187
Depreciation	3,126	3,943	450	–	7,519
Amortisation	–	–	1,188	–	1,188
Other non-cash expenses	385	51	2,296	–	2,732

(b) Geographical Segments:

The Group operates in the following main geographical areas:

Malaysia - mainly in provision of security services and sale of security related equipment, manufacture and sale of tools and dies, and investment holding;

China - mainly involved in operation of hotel; and

Other countries - cultivation of oil palm, investment holding and others.

	Revenue		Total assets		Capital expenditure	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Malaysia	**130,493**	119,188	**1,750,082**	1,829,617	**1,716**	3,740
China	**18,308**	13,980	**62,805**	64,018	**1,828**	1,398
Other countries	**385**	432	**29,846**	28,757	**39**	49
	149,186	133,600	**1,842,733**	1,922,392	**3,583**	5,187

33. STATEMENTS OF CASH FLOWS

(a) Adjustment for non-cash items, interests and dividends:

	GROUP		COMPANY	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Depreciation of property, plant and equipment	**7,848**	7,519	**1**	2
Share in loss/(profit) of associated companies	**897**	(2,001)	**–**	–
Amortisation of biological assets	**1,250**	1,188	**–**	–
Allowance for doubtful receivables	**27,454**	–	**90,263**	131,251
Interest expenses	**75,342**	85,073	**82,322**	92,469
Interest income	**(68,490)**	(64,688)	**(67,085)**	(64,628)
Property, plant and equipment written off	**123**	54	**–**	–
Gain on disposal of:				
- property, plant and equipment	**(57)**	(1,156)	**–**	(70)
- investments	**(5,452)**	(21)	**–**	(21)
Waiver of debt by a subsidiary company	**–**	–	**–**	(54,894)
Dividend income	**(4,535)**	(401)	**(9,204)**	(9,240)
Gain on foreign exchange - unrealised	**(76,026)**	(107,312)	**(96,078)**	(107,250)
Allowance for doubtful receivables no longer required	**–**	(579)	**–**	–
Allowance for diminution in value for quoted investments written back	**–**	(3,680)	**–**	(1,276)
	(41,646)	(86,004)	**219**	(13,657)

(b) Cash and cash equivalents at end of the financial year:

	GROUP		COMPANY	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash and bank balances	**21,129**	23,622	**5,975**	2,453
Deposit with licensed financial institutions	**78,230**	127,079	**28,336**	84,459
	99,359	150,701	**34,311**	86,912
Less: Fixed deposits pledged	**(5)**	(5)	**–**	–
Fixed deposits earmarked for bond redemption	**(19,676)**	(77,941)	**(19,616)**	(77,820)
	79,678	72,755	**14,695**	9,092

34. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks. The Group operates within clearly defined guidelines that are approved by the Board of Directors for observation in the day-to-day operations for the controlling and management of the risks associated with the financing, investing and operating activities of the Group.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

Capital Risk Management

The objective of the Group's and of the Company's capital management is to safeguard the Group's and the Company's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance.

The capital structure of the Group and of the Company consists of net debts (borrowings offset by cash and cash equivalents) and equity of the Group and of the Company (comprising issued capital, reserves and non-controlling interests).

Gearing Ratio

The gearing ratio at end of the reporting period is as follows:

	GROUP 2011 RM'000	COMPANY 2011 RM'000
Debt (i)	**1,706,014**	**1,789,701**
Cash and cash equivalents (Note 33(b))	**(79,678)**	**(14,695)**
Net debt	**1,626,336**	**1,775,006**
Equity (ii)	**23,214**	**514,984**
Debt to equity ratio	**70.1**	**3.4**

(i) Debt is defined as long-term and short-term borrowings as disclosed in Notes 26 and 27 respectively.

(ii) Equity includes issued capital, reserves and non-controlling interest.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses), for each class of financial assets, financial liabilities and equity instruments are disclosed in Note 3.

Categories of financial instruments

	GROUP 2011 RM'000	COMPANY 2011 RM'000
Financial assets		
Available-for-sale investments	47,320	12,598
Held-to-maturity investments	937,801	937,801
FVTPL investments	1,157	-
Loans and receivables:		
Investments	60,354	60,354
Receivables	571,219	2,055,770
Deposits, cash and bank balances	97,359	32,311
Financial liabilities		
Payables	110,266	811,536
ACB Bonds and USD Debts	1,705,982	1,789,701
Deferred liabilities	1,777	–

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the Group's maximum exposure to credit risk for loans and receivables.

Foreign currency sensitivity analysis

The Group and the Company are mainly exposed to the foreign currency of United States Dollar.

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the Ringgit Malaysia against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the period for a 10% change in foreign currency rates. A positive number below indicates a gain in profit or loss where the Ringgit Malaysia strengthens 10% against the relevant currency. For a 10% weakening of the Ringgit Malaysia against the relevant currency, there would be a comparable impact on profit or loss, the balances below would be negative.

	GROUP 2011 RM'000	COMPANY 2011 RM'000
United States Dollar	109,797	118,168

The Group's and the Company's sensitivity to foreign currency is mainly attributable to the exposure of outstanding USD payables of the Group and of the Company at the end of the reporting period.

In management's opinion, the sensitivity analysis does not represent of the inherent foreign exchange risk because the year end exposure does not reflect the exposure during the financial year.

Interest rate risk

The Group's and the Company's exposures to interest rate on investments in LCB Bonds and LCB RCSLS and borrowings in ACB Bonds and USD Debts and finance lease liabilities are limited because the interest rate is fixed upon inception. The interest rates for the ACB Bonds and USD Debts and finance lease liabilities are disclosed in Notes 26 and 27 respectively.

Liquidity and cash flow risks

The Group actively managed its debt maturity profile, operating cash flows and the availability of the funding so as to ensure that all financing, repayment and funding needs are met. As part of the overall prudent liquidity management, the Group endeavours to maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements.

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

GROUP 2011	Less than 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	Total RM'000
Financial liabilities				
Trade payables	4,295	–	–	4,295
Other payables	105,831	–	–	105,831
Amount due to associated companies	140	–	–	140
ACB Bonds and USD Debts	1,418,076	84,825	118,238	1,621,139
Deferred liabilities	–	–	1,777	1,777
Finance lease liabilities	32	–	–	32
	1,528,374	84,825	120,015	1,733,214

COMPANY 2011	Less than 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	Total RM'000
Financial liabilities				
Other payables	3,492	–	–	3,492
Amount due to subsidiary companies	808,043	–	–	808,043
ACB Bonds and USD Debts	1,482,123	85,084	125,701	1,692,908
	2,293,658	85,084	125,701	2,504,443

Note: As the amounts included in the table are the contractual undiscounted cash flows, these amounts will not reconcile with the amounts disclosed in the statements of financial position.

Fair values of financial instruments

The fair values of long-term financial assets (except for unquoted investments) and financial liabilities (except for ACB Bonds and USD Debts) are determined based on market conditions or by discounting the relevant cash flows using the current interest rates for similar instruments at the end of the reporting period. There is no material difference between the fair values and carrying values of these assets and liabilities as of the end of the reporting period except for the quoted shares, which quoted market prices are used to determine the fair value:

	GROUP		COMPANY	
	Carrying Value RM'000	Fair Value RM'000	Carrying Value RM'000	Fair Value RM'000
2011				
Investments (quoted)	**46,340**	**46,340**	**10,470**	**10,470**

No disclosure is made for other unquoted investments as it is not practicable to determine the fair values of these investments because of the lack of quoted market prices and the assumptions used in valuation models to value these investments cannot be reasonably determined.

No disclosure is made for balances with related companies and related parties as it is impractical to determine their fair values with sufficient reliability given these balances are repayable on demand.

No disclosure is made for ACB Bonds and USD Debts as it is not practical to determine the fair values because of the lack of quoted market prices and the inability to estimate fair values without incurring excessive costs.

STATEMENT BY DIRECTORS

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

We, **TAN SRI WILLIAM H.J. CHENG** and **LT. JEN (B) DATUK SERI ABDUL MANAP BIN IBRAHIM**, being two of the Directors of **ACB RESOURCES BERHAD**, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 6 to 72 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2011 and of the results and cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 14 October 2011.

TAN SRI WILLIAM H.J. CHENG
Chairman

LT. JEN (B) DATUK SERI ABDUL MANAP BIN IBRAHIM
Director

Kuala Lumpur

STATUTORY DECLARATION

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

I, **CHENG SIN YENG**, the officer primarily responsible for the financial management of **ACB RESOURCES BERHAD**, do solemnly and sincerely declare that the financial statements set out on pages 6 to 72 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 above named **CHENG SIN YENG** at Kuala Lumpur in the Federal Territory on 14 October 2011.

CHENG SIN YENG

Before me

W259
AHMAD B.LAYA
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACB RESOURCES BERHAD

Report on the Financial Statements

We have audited the financial statements of **ACB RESOURCES BERHAD** which comprise the statements of financial position as at 30 June 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 72.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with applicable Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2011 and of their financial performance and cash flows for the year then ended.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 to the financial statements which discloses the premises upon which the Group and the Company has prepared its financial statements by applying the going concern assumption, notwithstanding that the Group's current liabilities exceeded its current assets by RM667.616 million for the financial year ended 30 June 2011 and as of that date, the Group has a deficit in its shareholders' funds of RM1.210 million. In addition, we draw attention to Note 26 which sets forth the status of the Group's borrowings and management's plans to address those conditions.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 (“Act”) in Malaysia, we also report on 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 subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) we have considered the financial statements and the independent auditors’ reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 16 to the financial statements.

(c) we are satisfied that the financial statements of the subsidiary companies that are 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.

(d) the independent auditors’ reports on the financial statements of the subsidiary companies were not subject to any qualification other than as disclosed in Note 16 to the financial statements and did not include any comment required to be made under Section 174(3) of the Act.

Other Matters

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

ONG BOON BAH & CO
AF: 0320
Chartered Accountants

LIM KOK BENG
588/02/13(J)
Chartered Accountant

Kuala Lumpur
14 October 2011

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ACB RESOURCES BERHAD
(Incorporated in Malaysia) (20667-M)

FORM OF PROXY

CDS ACCOUNT NUMBER

			–				–								

I/We ....

I.C. No./Company No. ....

of ....

being a member/members of ACB RESOURCES BERHAD, hereby appoint ....

....

I.C. No. ....

of ....

or failing whom, ...

I.C. No. ....

of ....

as my/our proxy to vote for me/us and on my/our behalf at the Thirty-Sixth Annual General Meeting of the Company to be held at the Meeting Hall, Level 16, Office Tower, No. 1 Jalan Nagasari (Off Jalan Raja Chulan), 50200 Kuala Lumpur on 20 December 2011 at 2.00 pm and at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
1. To approve Directors' fees		
2. To re-elect as Director, Y. Bhg. Tan Sri William H.J. Cheng		
3. To re-appoint as Director, Y. Bhg. Lt. Jen (B) Datuk Seri Abdul Manap bin Ibrahim		
4. To re-appoint as Director, Mr M. Chareon Sae Tang @ Tan Whye Aun		
5. To re-appoint as Director, Mr Tan Siak Tee		
6. To re-appoint Auditors		
7. Authority to Directors to issue shares		

Please indicate with an "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.

As witness my/our hand this .... day of 2011

No. of shares : .... Signed : ....

Representation at Meeting:

- Only Members whose names appear in the Register of Members and the Record of Depositors on 12 December 2011 shall be eligible to attend the Meeting.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or the hand of an officer or attorney duly authorised.
- The instrument of proxy shall be deposited at the office of the Registrar of the Company, Level 13, Office Tower, No. 1 Jalan Nagasari (Off Jalan Raja Chulan), 50200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Meeting.
- Completed Form of Proxy sent through facsimile transmission shall not be accepted.