Sentoria Group Berhad
(463344-K)

Annual Report 2013

What's Inside

CORPORATE INFORMATION

BOARD OF DIRECTORS

Aznam Bin Mansor
Chairman and Independent Non-Executive Director

Dato' Chan Kong San
Joint Managing Director

Dato' Gan Kim Leong
Joint Managing Director

Lee Chaing Huat
Independent Non-Executive Director

Chung Wai Choong
Independent Non-Executive Director

Wong Yoke Nyen
Independent Non-Executive Director

AUDIT COMMITTEE

Chung Wai Choong (Chairman)
Lee Chaing Huat
Aznam Bin Mansor
Wong Yoke Nyen

REMUNERATION COMMITTEE

Lee Chaing Huat (Chairman)
Aznam Bin Mansor
Dato' Chan Kong San
Wong Yoke Nyen

NOMINATION COMMITTEE

Lee Chaing Huat (Chairman)
Chung Wai Choong
Aznam Bin Mansor
Wong Yoke Nyen

COMPANY SECRETARIES

Datuk Tan Leh Kiah (MAICSA 0719692)
Lim Chien Joo (MAICSA 7063152)
Chin Lee Chyen (MAICSA 7055910)

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Name : SNTORIA
Stock Code : 5213

REGISTERED OFFICE

56 & 58 (2nd Floor)
Jalan Dagang SB 4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Tel : 03-8943 8388
Fax : 03-8944 1520

HEAD OFFICE

56 & 58, Jalan Dagang SB 4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

Tel : 03-8943 8388
Fax : 03-8944 5388
Website : www.sentoria.com.my

SHARE REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

Tel : 03-2264 3883
Fax : 03-2282 1886

AUDITORS

SJ Grant Thornton (AF: 0737)
(Member of Grant Thornton International Ltd.)
Level 11, Bangunan Faber Court Imperial
Jalan Sultan Ismail
50250 Kuala Lumpur

Tel : 03-2692 4022
Fax : 03-2691 5229

PRINCIPAL BANKERS

Hong Leong Bank Berhad
CIMB Bank Berhad
RHB Bank Berhad
Malayan Banking Berhad

CORPORATE STRUCTURE

SENTORIA
Live Rewarded

Sentoria Group Berhad
(463344-K)

PROPERTY DEVELOPMENT

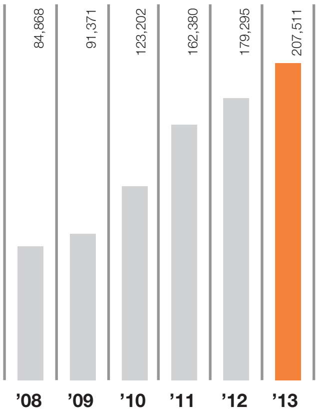
- 100% **Sentoria Properties Sdn Bhd** (477817-P)
- 100% **Sentoria Alam Sdn Bhd** (625769-P)
- 70% **Sentoria Alfa Sdn Bhd** (632951-M)
- 100% **Sentoria Bina Sdn Bhd** (477814-V)
- 100% **Sentoria Land Sdn Bhd** (1048608-M)
- 100% **Sentoria Harta Sdn Bhd** (599658-M)
- 100% **Sentoria Borneo Land Sdn Bhd** (1044844-V)
- 100% **Sentoria Resorts Sdn Bhd** (682753-T)

LEISURE & HOSPITALITY

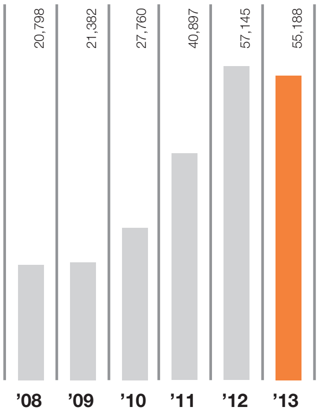
- 100% **Sentoria Themeparks and Resorts Sdn Bhd** (747796-W)
  - 100% **Blue Sky Leisure Sdn Bhd** (954663-D)
  - 100% **Sempurna Resort Kuantan Sdn Bhd** (955706-H)
  - 100% **Star Wholesale Sdn Bhd** (987844-P)
- 100% **Sentoria Morib Bay Sdn Bhd (f.k.a. Sentoria Morib Sdn Bhd)** (955328-A)
- 100% **Sentoria Vacation Club Berhad** (850929-U)
- 100% **Sentoria Borneo Samariang Sdn Bhd** (1044899-X)
- 75% **Sentoria Langkawi Sdn Bhd** (1072940-A)

FINANCIAL HIGHLIGHTS

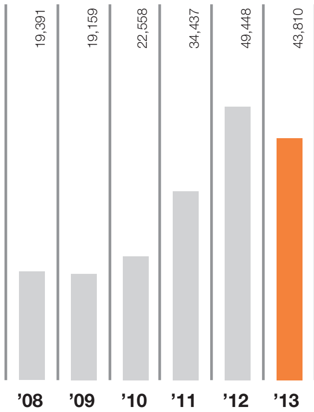
REVENUE
(RM'000)



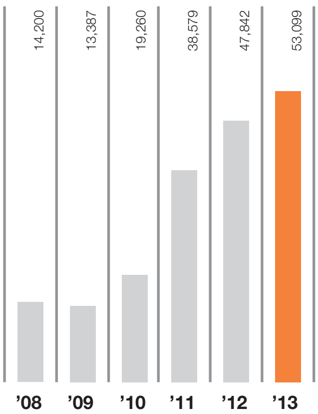
EBITDA
(RM'000)



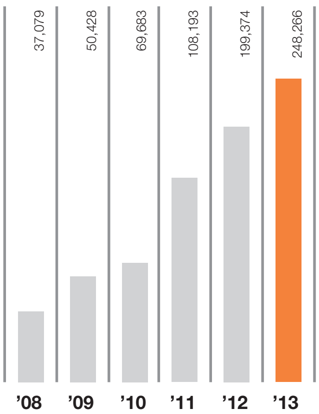
PROFIT BEFORE TAXATION
(RM'000)



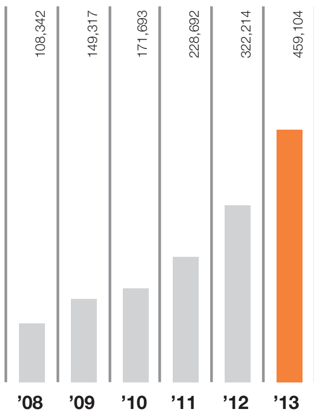
PROFIT AFTER TAXATION
(RM'000)



SHAREHOLDERS' EQUITY
(RM'000)



TOTAL ASSETS
(RM'000)



	FYE 2008 RM'000	FYE 2009 RM'000	FYE 2010 RM'000	FYE 2011 RM'000	FYE 2012 RM'000	FYE 2013 RM'000
Revenue	84,868	91,371	123,202	162,380	179,295	207,511
Ebitda	20,798	21,382	27,760	40,897	57,145	55,188
Profit before taxation	19,391	19,159	22,558	34,437	49,448	43,810
Profit after taxation	14,200	13,387	19,260	38,579	47,842	53,099
Shareholders' equity	37,079	50,428	69,683	108,193	199,374	248,266
Total assets	108,342	149,317	171,693	228,692	322,214	459,104
Earning per share (sen)					11.46	12.07
Net dividend per share (sen)					2.00	2.00





CHAIRMAN'S
STATEMENT

Dear Shareholders,

The financial year ended 30 September 2013 (FY2013) was a rewarding year for Sentoria Group Berhad (Sentoria). Despite the challenges faced during the year, Sentoria proved to be a well-managed company with business prudence.

I am pleased to inform you that Sentoria recorded another successful year, and it is my privilege to present to you, on behalf of the Board of Directors, the Annual Report for FY2013.

FY2013 FINANCIAL OVERVIEW

Malaysia continued to record positive Gross Domestic Product (GDP) growth of 4.5% in the 1st three quarters of 2013. Bank Negara Malaysia forecasts that Malaysia's GDP to grow by about 4.5%-5% for the whole of 2013.

The Group's revenue grew 15.7% year-on-year to RM207.5 million in FY2013, compared with RM179.3 million in the previous year, due to growth in both property development and leisure and hospitality business segments. The net profit of the Group, meanwhile increased by 11.0% to RM53.1 million from that of RM47.8 million in the previous year.

The property development segment continued to be the Group's largest revenue contributor for the year, bringing in RM143.0 million and constituting 68.9% of group revenue, an increase of 15.3% over that of the previous year, propelled by new property launches as well as continued progress of ongoing projects.

In the meantime, revenue from the Group's leisure and hospitality segment – which constituted the balance of 31.1% of FY2013 revenue – rose 16.6% to RM64.5 million, from RM55.3 million previously. This was primarily driven by higher patronage to Bukit Gambang Resort City (BGRC), following the increase in our room inventory with the opening of Arabian Bay Resort (ABR) during the year. It is worthy to note that ABR also has a dedicated 210,000 square feet BGRC MICE Center with the "Largest Pillar-less Ballroom in Malaysia" (as certified by The Malaysia Book of Records).

The Group's earnings before interest, tax and depreciation (EBITDA) reduced marginally by 3.4% to RM55.2 million as compared to RM57.1 million in previous year. This was mainly due to higher operating expenditure from the ongoing expansion efforts. In view of higher capital expenditure for FYE 2013 in BGRC, deferred tax assets as of the end of FY2013 increased to RM18.9 million from RM11.9 million as of the end of the previous year.

Based on the enlarged share base of 440 million shares (after the bonus issue in the 1st half of 2013); FY2013 group earnings per share stood at 12.07 sen.

The Group's balance sheet remained strong, with shareholders' equity increasing to RM248.3 million as at 30 September 2013. With the expansion of business coupled with the acquisition of land in Morib and the development of the Safari Park in BGRC, the total borrowings of the Group have increased to RM83.0 million. However, Group's net gearing remained at a reasonable level of 0.3 times as of the end of FY2013. This effectively renders the Group adequate flexibility to undertake borrowings for future expansions when necessary.

Dividends

In appreciation of our shareholders' support, Sentoria has declared an interim single tier dividend of 1 sen per share in respect of FY2013, which was paid on 15 January 2014.

In view of the Group's commendable performance, the Board has proposed a final single tier dividend of 1 sen per share for shareholders' approval at the forthcoming Fifthteenth Annual General Meeting.

If approved, the Group's total dividend payout for FY2013 would amount to RM8.8 million, representing 16.6% of Group's net profit for the year concerned.

CHAIRMAN'S STATEMENT

Proposed bonus issue of warrants

Sentoria would like to thank its shareholders who have supported it to-date and the Group hopes that this support will continue going forward. As such, the Board is proposing a bonus issue of warrants of one (1) bonus warrant for every five (5) existing ordinary shares for approval in the forthcoming Extraordinary General Meeting.

INDUSTRY OUTLOOK AND FUTURE PROSPECTS

Property Development

The Malaysian Government has announced several cooling measures in the 2014 budget such as increased Real Property Gain Tax, increased threshold for foreigner property purchases to RM1 million from RM500,000 and banning Developer Interest Bearing Scheme.

These cooling measures are not expected to adversely affect the Group as the Group's existing projects are mainly affordable housing, the supply of which is often not enough to meet demand from the local population. Going forward, the Group will be launching new affordable housing projects to cater for this strong demand.

As at 30 September 2013, the Group's Property Development Division has RM164 million of unbilled sales.

In order that the Group further sustains its growth, it will continuously explore opportunities to increase access to new land banks. In this context, the Group is pleased to inform that since it was listed in February 2012, it has secured access to 1,244 acres of land comprising 390 acres in Gambang, Pahang, 354 acres in Morib, Selangor and 500 acres in Kuching, Sarawak. The development of RM2 billion integrated resort city in Bandar Samariang, Sarawak is also in the works.

Sentoria will continue to capitalise on our experience and knowledge to develop affordable housing and integrated resort cities.

Leisure and Hospitality

With the Safari Park in BGRC fully operational, the Leisure and Hospitality Division is expected to see increased visitors and occupancy rates. The Visit Malaysia Year 2014's campaign and promotional activities by the Ministry of Tourism and Culture Malaysia are expected to contribute positively as well.

Moving forward, the Group will continue to enhance our services to secure increased recurring leisure and hospitality income. At the same time, Sentoria will also endeavour to replicate our success in BGRC to other geographical areas in Malaysia.

RECENT DEVELOPMENTS

Borneo Samariang Resort City

Borneo Samariang Resort City (BSRC), will consist of two main segments - leisure and hospitality (200 acres) as well as mixed property development (300 acres).

The development of BSRC is intended to compliment other tourist attractions in Sarawak. It will be a strong reason for tourists to extend their stay in Sarawak which in turn will generate higher revenue for the state.

The mixed property development is estimated to have a Gross Development Value of RM1.27 billion over a 10-year period. The development of the resort city is targeted to commence immediately upon obtaining all relevant approvals from the various authorities. The water park component is expected to be fully operational before end 2017.

CORPORATE GOVERNANCE

The Board endeavours to comply with best practices under the Malaysian Code on Corporate Governance 2012 to increase and protect shareholders' value for the long term. To this end, the Board implements a sound system of corporate governance within its day-to-day operations to establish a strong platform for sustainable growth. These measures are detailed in the Corporate Governance Statement on pages 15 to 21.

CORPORATE SOCIAL RESPONSIBILITY

The Group subscribes to the safety, health and environment regulations within the working environment. Efforts have been made to conserve energy by ensuring that lights and air conditioning are operating only when the need arises.

The Group continuously provides its employees the necessary skills development and training programmes to improve their skills for daily operations as well as for their career developments. Beside, annual dinner and family day have been organised to create cohesiveness and as well as to foster relationship among the employees in the Group.

In giving back to the community, Sentoria has always believed in giving back to the less fortunate segments of the community. In this light, BGRC has on a monthly basis been inviting orphanage homes around Kuantan to visit the Safari Park. Other than experiencing the park, they were also given the opportunity to learn more about the animals in Safari Park.

The Group through BGRC has also given opportunities to students to gain practical working experience, knowledge, skills and prepare them to the real working environment when they enter the job markets.

APPRECIATION

First of all, I and my fellow Directors would like to extend our heartfelt appreciation to the team of Sentorians for their dedication, loyalty and hard work in enabling the Group to record another successful year.

We would also like to thank our shareholders, patrons, customers, business partners and bankers for their support and confidence in the Group.

Last but not least, I would also like to express my gratitude to our advisers, solicitors, consultants and the relevant governmental and regulatory authorities for their invaluable assistance and advice.

Thank you.

AZNAM BIN MANSOR
Chairman

MANAGEMENT
REVIEW

The management of Sentoria Group Berhad would hereby like to present our review of Sentoria Group Berhad's (Sentoria) performance for the financial year ended 30 September 2013.

FINANCIAL PERFORMANCE

After a better than expected result for the Financial Year 2012 (FY2012), we have been trying our level best to emulate the success of FY2012, although we are aware that it has been a tough act to follow. However, we are glad to report that both top line and bottom line figures for Sentoria's Financial Year 2013 (FY2013) is better than the previous year albeit at a slower growth rate.

Property development division continues to be the main contributor towards Sentoria's financial result for the FY2013 generating RM143.0 million or 68.9% of Sentoria's total revenue while the Leisure and Hospitality division contributes RM64.5 million or 31.1% of the revenue.

Despite the higher operating cost attributed by the opening of Arabian Bay Resort (ABR) in Bukit Gambang Resort City (BGRC), Sentoria was still able to record a gross profit of RM77.5 million. The Group's Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) reduced marginally from RM57.1 million to RM55.2 million as compared to previous financial year. The availability of the Investment tax Allowance from Leisure and Hospitality sector has enabled Sentoria to record higher net profit for the FY2013 at RM53.1 million as compared to RM47.8 million in previous financial year.

With the housing projects in Kuantan especially Tmn Indera Sempurna, Desa Hijauan & Tmn Bukit Rangin 1 were nearing completion in the FY2013, we have launched 2 more new property development projects amounting to Gross Development Value (GDV) of RM213 million. The new projects are 114 acres Taman Bukit Rangin 2 (Kuantan) and the 4 acres Tmn Salak Maju (Salak Tinggi, Selangor). The sales for Taman Bukit Rangin have been encouraging, take up rate is 98% for single storey terrace houses as at 30 September 2013. We expect the Group's track record and ability to deliver quality products to continue to anchor its future affordable residential property launches.

REVIEW OF OPERATION

1- Property Development

a. Taman Indera Sempurna

FY2013 saw this project coming to near full completion. We are proud to announce that we had sold and almost completed all the available units in this housing scheme.

b. Taman Bukit Rangin 1

The first phase of this housing project consists of 472 units of single storey terrace and semi-D houses are fully sold. The project is progressing as scheduled with an average completion progress of 78% as at 30th September, 2013.

c. Taman Bukit Rangin 2

The second phase of the project that was launched in March 2013 consists of a total 1,321 units. The management is pleased with the take up rate of this project whereby 98% of the units were sold within 6 months period. This goes to show that there is still huge demand for Sentoria's property especially in Kuantan. Up to FY2013, total sales generated from this phase of the project stood at RM192.17million.

d. Taman Salak Maju

This is our first housing project in Selangor and we're building 31 units of double storey semi-d & bungalow. The project has a total GDV of RM17.64 million. Launched in July 2013, 29% of the projects were sold bringing in revenue of RM5.23 million so far. We strongly believe that all units will be sold by the second quarter of 2014 as the price is also relatively competitive in comparison with other surrounding projects of similar nature.

2- Leisure and Hospitality

2013 saw the opening of our Bukit Gambang Safari Park (BGSP) in phases. We have managed to bring in various animals from all over the world for the viewing pleasure of our visitors. We have also achieved several "first" with BGSP whereby it is the first place in Malaysia to have white lions, hyenas and cheetah in captivity. In addition to that, BGSP also has the smallest nocturnal monkey in captivity. We are sure that this latest attraction to BGRC will assist in generating more recurring revenue to the group especially over the long term.

Our Bukit Gambang Water Park (BGWP) continues to be the main attraction at BGRC. FY2013 saw another record breaking attendance with a total number of visitors rose to more than 651,000. This is an increase of 7% from previous year. In addition to this, total spending also increased by 11% to RM37.80 per visitor.

The opening of our Arabian Bay Resort (ABR) saw an increase in our total room inventory. This has reduced BGRC's total occupancy rate to about 23% due to higher room inventory. We continue to focus to enhance the services and offer value added products at BGRC. Different packages have been tailored for different customer group and advertisement and promotional activities has been carried out regularly to promote BGRC. We also participate in various trade shows in Malaysia, Singapore, Middle East and China.

For long term, we see much growth potential in our Leisure and Hospitality division and believe that it will be key in generating regular continuous flow of revenue complementing our property development activities to balance the Group's operations.

CURRENT DEVELOPMENT

FY2013 saw several positive developments in ensuring Sentoria's continuous growth in the coming years.

In August 2013, our wholly owned subsidiaries (Sentoria Borneo Land Sdn Bhd and Sentoria Borneo Samariang Sdn Bhd) had signed agreements with Projek Bandar Samariang Sdn. Bhd. (PBSSB) for the purchase of 500 acres development land for RM47 million. Sentoria plans to develop a RM2 billion integrated resort city in Bandar Samariang, Sarawak. The planned integrated development, to be known as Borneo Samariang Resort City (BSRC), will consist of two main segments - leisure and hospitality (200 acres) as well as mixed property development (300 acres). BSRC is expected to fully developed over the next 8 years giving continuous stream of revenue for Sentoria.

FUTURE PROSPECTS

Sentoria had managed to have access to 1,244 acres of land since our listing in Bursa Malaysia in 2012. The access is either via joint venture or outright purchase. These lands that we have access to are expected to generate a conservative GDV of more than RM3 billion over the next 10 year period. These include the additional 180 acres of land alienated by the state government in BGRC, the 210 acres joint venture land for Taman Bukit Rangin project, the 354 acres of land in Morib as well as the 500 acres of land in Samariang, Kuching. We are currently in negotiation to have access to more land either from private organisations and state governments.

With our being a listed company, Sentoria's profile has also improved. Our ability to increase the value of properties surrounding our past and current project has attracted the conglomerates to consider and accept our proposed development on their land.

In view of the above, we are confident that Sentoria will continue to strive and grow over the coming years creating higher value for our investors and shareholders.

BOARD OF
DIRECTORS' PROFILE

EN AZNAM BIN MANSOR
Chairman/ Independent
Non-Executive Director
Malaysian, aged 56

En Aznam Bin Mansor, was appointed to the Board on 23 May 2011 as Chairman and Independent Non-Executive Director of the Company. He is also the member of the Audit, Remuneration and Nomination Committees of the Company.

He graduated with a Bachelor of Arts with Second Class Honours (First Division) degree, having completed a course in Law from the North East London Polytechnic, London, UK, in 1983. He was admitted into the Honourable Society of the Lincoln's Inn in 1984 and was called to the Malaysian Bar as an Advocate and Solicitor in 1986.

He started his career as an officer in Malayan Banking Berhad. He then joined Skrine & Co., a legal firm in Kuala Lumpur, and held the position of legal assistant for eight (8) years. Presently, he is a partner of Lee Hishamuddin Allen & Gledhill, a legal firm in Kuala Lumpur. He sits on the Board of Knusford Berhad, Mikro MSC Berhad, Benalec Holdings Berhad, Focus Lumber Berhad and several other private limited companies. Having a legal background and experience in holding positions on other boards of directors, he is able to contribute to the Group on commercial and legal matters considered by the Board.

He attended five (5) out of six (6) Board meetings held during the financial year ended 30 September 2013.

DATO' CHAN KONG SAN
Joint Managing Director
Malaysian, aged 53

Dato' Chan Kong San, the Group's co-founder was appointed to the Board as Director on 15 March 1999 and was redesignated as Joint Managing Director of the Group on 23 May 2011. He is also the member of Remuneration Committee of the Company.

He graduated with a degree in Civil Engineering from the University of Texas at Arlington, USA in 1986 and was elected as a member of The Institution of Engineers, Malaysia in 1993. He worked for various consulting firms in the USA for four (4) years prior to returning to Malaysia in 1990, at which time he joined a local consulting firm and subsequently other property development companies before co-founding the Group in 1999.

Dato' Chan has been instrumental in building and developing the Group's businesses. His in-depth knowledge and understanding of the property development industry has contributed to the Group in the overall timely and effective implementation, execution and management of construction projects.

He attended all of the six (6) Board meetings held during the financial year ended 30 September 2013.

DATO' GAN KIM LEONG
Joint Managing Director
Malaysian, aged 52

Dato' Gan Kim Leong, the Group's co-founder was appointed to the Board as Director on 1 September 1999 and was redesignated as Joint Managing Director on 23 May 2011.

He obtained a Bachelor of Engineering in Civil Engineering in 1987 and a Master of Business Administration in 1993 from the University of Malaya. He was elected as a member of The Institution of Engineers, Malaysia in 1993 and registered as a Professional Engineer of The Board of Engineers Malaysia in 1994. Upon graduation, he worked in various positions related to the property development and construction industry such as consulting firms, engineering and construction firms and a property development company. He co-founded the Group in 1999.

With his accumulated extensive exposure in the fields of engineering and property development over the past twenty four (24) years, he is a driving force behind the Group's growth and expansion. Under his leadership, the Group has become one of the major property developers in Kuantan. Backed by years of design engineering experience, he has led the Group to operate on a platform of cost effectiveness while maintaining a high standard of quality and workmanship.

He attended all of the six (6) Board meetings held during the financial year ended 30 September 2013.

MR LEE CHAING HUAT

Independent Non-Executive Director
Malaysian, aged 61

Mr Lee Chaing Huat, was appointed to the Board as an Independent Non-Executive Director on 23 May 2011. He is the Chairman of the Remuneration and Nomination Committee and a member of the Audit Committee of the Company.

He is a fellow member of the ACCA, UK and a member and Chartered Accountant of the MIA. He started his career as an auditor with one of the top tier accounting firms. In 1980, he joined the financial sector and worked with several banks namely The Chase Manhattan Bank and Kwong Yik Bank Berhad and thereafter RHB Bank Berhad when Kwong Yik Bank Berhad merged with DCB Bank in 1997. In 2004, He joined Hong Leong Credit Berhad as Group Chief Financial Officer and subsequently, Hong Leong Bank Berhad as Chief Operating Officer/Head of Business Banking Division. In December 2005, he started his own management consultancy and training company.

He also sits on the Board of Amity Diversified Sdn Bhd, Megasteel Sdn Bhd and MBF Holdings Berhad. His experience in the financial sector enables him to contribute positively to the Group from the perspective of corporate finance and planning strategies.

He attended all of the six (6) Board meetings held during the financial year ended 30 September 2013.

MR CHUNG WAI CHOONG

Independent Non-Executive Director
Malaysian, aged 54

Mr Chung Wai Choong, was appointed to the Board as an Independent Non-Executive Director on 13 October 2011. He is the Chairman of our Audit Committee and a member of our Nomination Committee.

Mr Chung is currently also an Independent Non-Executive Director of China Automobile Parts Holdings Limited, a company listed on the Main Market of Bursa Malaysia and Key West Global Telecommunications Berhad, a company listed on the ACE Market of Bursa Malaysia.

Mr Chung, a member of the Malaysian Institute of Certified Public Accountants ("MICPA") since 1986 and a member of the Malaysian Institute of Accountants ("MIA") since 1987, articled with Hanafiah Raslan & Mohamad (then also practising as Touche Ross & Co.) in 1980 and then joined Coopers & Lybrand, Singapore in 1987. In 1988, he returned to Malaysia to join Mustapha Law/ Touche Ross & Co. Upon the merger of Mustapha Law/Touche Ross & Co. and Kassim Chan & Co./Deloitte Haskins & Sells in 1992, he was transferred to the merged firm's management consultancy arm as a senior manager. He commenced public practice in 1993 when he joined Sekhar & Tan as a principal. He retired from public practice in 2003 as a partner and in January 2004, he joined Leweko Resources Berhad ("Leweko"), a company listed on the Main Market of Bursa Malaysia, as its General Manager (Corporate Finance) and was subsequently made its Executive Director (Corporate Affairs) in February 2004. He was also a member of the Board of Directors of Leweko from 9 February 2004 to 30 October 2010. In November 2010, he joined Hexagon Holdings Berhad, a company listed on the Main Market of Bursa Malaysia as its Group Head of Corporate Affairs and he resigned from that position on 31 May 2012. He has extensive experience in auditing and has also worked on special assignments involving corporate finance, corporate recovery, project management, systems review, corporate restructuring, mergers and acquisitions, and feasibility studies for multinational and large national enterprises.

In addition, Mr Chung was the joint company secretary of Lingui Developments Berhad and Glenealy Plantations (Malaya) Berhad (both of which have since been privatised and delisted from the Main Market of Bursa Malaysia), and Teck Guan Perdana Berhad (also listed on the Main Market of Bursa Malaysia) at various times from 1996 to early 2003 and Leweko during his tenure there. He has also previously served as a member of the MICPA's Auditing and Accounting Standards Committee.

He attended all six (6) Board meetings held during the financial year ended 30 September 2013.

BOARD OF DIRECTORS' PROFILE

MR WONG YOKE NYEN
Independent Non-Executive Director
Malaysian, aged 55

Mr Wong Yoke Nyen, was appointed to the Board as an Independent Non-Executive Director of the Company on 8 October 2012 and appointed as member of the Audit Committee on 21 January 2013. He was appointed as member of Remuneration and Nomination Committee on 6 December 2013.

Mr. Wong obtained a Bachelor of Arts with Second Class Honours (First Division) degree, after having completed a course in Accountancy from the City of London Polytechnic, UK in 1981. He is also a graduate of the Wharton Advance Management Program from The Wharton School of the University of Pennsylvania, USA.

In 1981, he started his career in Baker Rooke, a firm of chartered accountants in London where he gained wide experience and exposure in the areas of auditing, accountancy and management consultancy work. In 1983, he joined Aseambankers Malaysia Berhad (now known as Maybank Investment Bank Berhad). He is a seasoned investment banker with more than twenty (20) years of dedicated corporate finance and investment banking experience. He was the Executive Vice President cum Head of Corporate Finance Division in Aseambankers Malaysia Berhad. In 2004, he started WYNCORP Advisory Sdn Bhd, a private company licensed to provide investment advisory services.

He is currently the Managing Director of WYNCORP Advisory Sdn Bhd and WYNCORP Chattels Holdings Sdn Bhd and a director of Influx Rewards Sdn Bhd. He is also an Independent Non-Executive Director of New Hoong Fatt Holdings Berhad and was an Honorary Advisor to the Master Builders Association Malaysia. He is also an Independent Non-Executive Director of XiDeLang Holdings Limited, Benalec Holdings Berhad and Focus Lumber Berhad.

He brings with him a wealth of expertise and experience in the investment banking and corporate advisory sectors to join the team.

He attended all of the five (5) Board meetings held after his tenure during the financial year ended 30 September 2013.

Notes to Board of Directors' profile :-

1. **Family Relationship**
   None of the Directors has any family relationship with any Director and/or any shareholder of the Company.

2. **Conflict of Interest**
   None of the Directors has any personal interest or conflict of interest in any business arrangement involving the Group.

3. **Conviction of Offences**
   None of the Directors has been convicted of any offence within the past 10 years other than traffic offences (if any).

4. **Shareholdings**
   The details of the Directors' interest in the securities of the Company are set out on page 99 of the Annual Report.

CORPORATE GOVERNANCE
STATEMENT

The Malaysian Code of Corporate Governance 2012 ("Code") sets out the broad principles and specific recommendations on structures and processes which companies should adopt in making good corporate governance an integral part of their business dealings and culture. The Board acknowledges and fully support the importance of corporate governance in directing and managing businesses and affairs of the Group to safeguard and enhance shareholders' value and performance of the Group.

The Board is pleased to disclose below the manner in which it has applied the principles and complied with the recommended best practices set out in the Code throughout the financial year ended 30 September 2013.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

The Group is led by an experienced and diversified Board which comprises professionals from various fields to bring together a balance of skills, experience and expertise appropriate to the business. The Directors collectively bring with them wide and varied technical, financial and legal experience to enable the Board to lead and control the Group effectively.

The Independent Non-Executive Directors are persons of calibre and credibility with the ability to exercise independent judgment in the Board without fear or favour. Their role is to ensure that any decision of the Board is deliberated fully and objectively with regards to the long term interests of all stakeholders.

There is a clear division of responsibilities between the Chairman and Joint Managing Directors. The Chairman is responsible for ensuring Board effectiveness and ensures that conduct and working of the Board is in an orderly and effective manner.

The Joint Managing Directors take on the primary responsibility of managing the Group's businesses and resources. The roles of Joint Managing Directors are to ensure a balance of power and authority and they are responsible and accountable for the development and implementation of strategies, as well as overseeing and managing the day-to-day operations of the Group.

The Board has formally adopted a Board Charter that sets out the roles and responsibilities of the Board and the standard of conduct expected of Directors. The Board's function, amongst others, is to guide the Group on its short and long term goals, providing advice, stewardship and directions on management and business development of the Group. More information on the Board Charter can be found on the Company's website at www.sentoria.com.my.

The Board takes full responsibility for the overall performance of the Group and the Company in 6 specific areas as follows:

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group's business;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Succession planning;
- Overseeing the development and implementation of shareholders communication policy for the Group; and
- Reviewing the adequacy and the integrity of the management information and internal control system of the Group.

The Group is mindful of the importance of business sustainability in developing the business operations and corporate strategy of our Group. In this respect, the Board has always ensured that all aspects of the Group's business which have direct and indirect impacts on the work place, communities and environment are balanced with the interest of the Group's stakeholders.

PRINCIPLE 2: STRENGTHEN COMPOSITION

To assist the Board to discharge its role and functions effectively, the Board has established the following committees:

1. **The Audit Committee**

   The terms and reference as well as further information on the Audit Committee are set out in the Audit Committee Report on pages 26 to 30 of this Annual Report.

PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

2. The Nomination Committee

The Nomination Committee comprises four (4) Independent Non-Executive Directors and its members are as follows:

Lee Chaing Huat - Chairman
(Independent Non-Executive Director)

Chung Wai Choong
(Independent Non-Executive Director)

Aznam bin Mansor
(Independent Non-Executive Director)

Wong Yoke Nyen (appointed on 06.12.2013)
(Independent Non-Executive Director)

The Nomination Committee is primarily empowered by its terms of reference in carrying out the following functions amongst others, is to review annually the required mix of skills, experience and other qualities of the Directors and to recommend new appointments, if any, to the Board.

Although the Company has not met Recommendation 2.1 of the Code that recommends the Chair of the Nomination Committee to be the Senior Independent Director identified by the Board, the Board is satisfied that there is an appropriate mix of experience and expertise in the composition of the committee. With the extensive experience from the Chairman, the Board believes that Mr. Lee would be able to lead the Committee to better assess the skills, experience and competencies of the candidate to be filled in the Board.

The Nomination Committee is also set for assessing the effectiveness of the Board as a whole, all committees of the Board and the contribution of each individual Director including Independent Non-Executive Directors and Joint Managing Directors.

The Nomination Committee also has to ensure that all Directors undergo the appropriate induction programmes and receive continuous training.

During the financial year under review, one meeting was held and full attendance by the members was recorded. The Nomination Committee is satisfied with the contribution and performance of each individual Director and that all the Independent Directors complies with the criteria of Independence based on the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

The Nomination Committee reviews and evaluates annually its requirements for an appropriate mix of skills and experience to ensure Board balance.

PRINCIPLE 2: STRENGTHEN COMPOSITION (CONT'D)

3. The Remuneration Committee

The Remuneration Committee comprises three (3) Independent Non-Executive Directors and a Joint Managing Director and its members are as follows:

Lee Chaing Huat - Chairman
(Independent Non-Executive Director)

Aznam bin Mansor
(Independent Non-Executive Director)

Dato' Chan Kong San
(Joint Managing Director)

Wong Yoke Nyen (appointed on 06.12.2013)
(Independent Non-Executive Director)

The Remuneration Committee's primary responsibility is to ensure that the Group's levels of remuneration commensurate with the skills and responsibilities expected of the director concerned and that it is sufficient to attract and retain directors needed to run the Company successfully. The Board, as a whole, determines the remuneration of the Directors and the individual Director is required to abstain from discussing his own remuneration. The Remuneration Committee meets at least once a year.

The Company complies with The Code as it has a Remuneration Policy & Procedure to provide a framework for remuneration paid to the members of the Board of the Company and this is briefly summarised below.

In the case of Executive Directors, the remuneration scheme is structured based on corporate and individual performance. On the other hand, Non-Executive Directors are remunerated based on their experiences and the level of responsibilities undertaken by the respective Non-Executive Director concerned.

During the financial year under review, one meeting was held to review and discuss the remuneration of the Directors before recommending them for the Board's approval.

For the year under review, the aggregate remuneration of the Directors is categorised in the following table:

	Fee (RM)	Salary (RM)	Bonus (RM)	Other Emoluments (RM)	Benefits-In-Kind (RM)	Total (RM)
Executive Directors	–	2,832,000	708,000	424,800	45,400	4,010,200
Non-Executive Directors	382,194	–	–	53,500	–	435,694
Total	**382,194**	**2,832,000**	**708,000**	**478,300**	**45,400**	**4,445,894**

Range of Remuneration	**No. of Directors Executive**	**Non-Executive**
Up to RM50,000	–	–
RM50,001 - RM100,000	–	–
RM100,001 - RM150,000	–	4
RM300,000 - RM500,000	–	–
More than 1,000,000	2	–

The details of the remuneration for the Directors for the financial year ended 30 September 2013 are disclosed in Note 25 to the Audited Financial Statements.

PRINCIPLE 3: REINFORCE INDEPENDENCE

The composition of the Board complies with the Listing Requirements. The majority of the Board comprises Independent Non-Executive Directors who are essential to bring an objective and independence judgment to facilitate a balanced leadership in the Group. There are six (6) members on the Board of Directors, comprising two (2) Joint Managing Directors and four (4) Independent Non-Executive Directors. The Chairman of the Board is an Independent Non-Executive Director.

The appointment of any additional Director is to be made as and when it is deemed necessary by the existing Board upon recommendation from the Nomination Committee with due consideration given to add-on expertise and experience required for an effective Board.

In accordance with the Company's Articles of Association, an election of Directors shall take place each year during the annual general meeting. All Directors shall retire from office at least once every three (3) years, but shall be eligible for re-election. At the forthcoming Annual General Meeting, Encik Aznam bin Mansor and Mr Lee Chaing Huat will be standing for re-election pursuant to Article 86 of the Company's Articles of Association. Their profiles are set out in the Directors' Profile on pages 12 to 14 of this Annual Report.

The Board recognises the importance of independent and objectivity in the decision making process. Each of the Independent Non-Executive Directors has declared his independence to the Board based on criteria of assessing independence as set out in the Listing Requirements. During the year, the Board has assessed and concluded that all the Independent Non-Executive Directors remain objective and independence.

As of the end of the year under review, all Independent Non-Executive Directors have been in office for not more than 9 years.

PRINCIPLE 4: FOSTER COMMITMENT

The Board is mindful of the importance of devoting sufficient time and effort to carry out their responsibilities and enhance their professional skills. Thus, each director is expected to commit sufficient time and required to notify the Board for accepting any additional appointment of directorships in other public listed companies. The notification should include an indication of time that will be spent on the new appointment.

The Board meets on a scheduled basis, at least four (4) times a year to oversee and monitor the development of the Group. Additional meetings are held on an ad-hoc basis to deliberate on matters requiring its immediate attention. The agenda and meeting papers for each item as well as minutes of previous meetings are circulated prior to the Board meetings to give Directors sufficient time to review and to deliberate on the issues to be raised at the Board meetings.

Upon recommendation by the management/committee members, the Board will deliberate and discuss on all matters before any decisions are made. All proceedings of the Board meetings are minuted and signed by the Chairman of the meeting in accordance with the provision of Section 156 of the Companies Act, 1965.

The Board is kept updated on the Group's activities and operations on a regular basis. The Directors also have access to all reports on the Company's activities, both financial and operational.

A total of six (6) Board meetings were held during the financial year ended 30 September 2013 and the summary of attendance by the Directors at these meetings are as follows:

Name	Designation	Number of meetings attended
Aznam bin Mansor	Independent Non-Executive Chairman	5 / 6
Dato' Chan Kong San	Joint Managing Director	6 / 6
Dato' Gan Kim Leong	Joint Managing Director	6 / 6
Lee Chaing Huat	Independent Non-Executive Director	6 / 6
Chung Wai Choong	Independent Non-Executive Director	6 / 6
Wong Yoke Nyen *(Appointed on 8 October 2012)*	Independent Non-Executive Director	5 / 5
Thean Yain Peng *(Resigned on 8 October 2012)*	Executive Director	1 / 1

PRINCIPLE 4: FOSTER COMMITMENT (CONT'D)

All Directors are encouraged to attend training programs to supplement their knowledge in the latest developments relevant to the Group, especially in the areas of corporate governance and regulatory development so that they can discharge their responsibilities more effectively.

Throughout the year, the Directors have received updates from time to time on relevant new laws and regulations. Visits by the Directors to the Group's businesses were also arranged for enhancement of their knowledge in respect of the Group's businesses as well as better awareness of the risk associated with the Group's operations.

The training programmes, seminars and/or conferences attended by the Directors during the financial year ended 30 September 2013 are as follows:

Directors	Training Programmes
Aznam bin Mansor	• Risk Management Best Practice • Risk Management Forum Embracing Risks For Long-Term Corporate Success - Boosting Your Risk Governance • Limited Liability Partnership
Dato' Chan Kong San	• Enterprise Risk Management
Dato' Gan Kim Leong	• Briefing on "Malaysia My Second Home Programme" - Business Opportunities & Financing Facilities • Enterprise Risk Management
Lee Chaing Huat	• Enterprise Risk Management • Credit Procurement & Account Management • Writing & Presenting Credit Reports • Practical Credit Reports • Credit Sourcing, Management & Monitoring • Corporate Relationship Management • Loan Structuring Techniques • Managing Corporate Banking Relationship
Chung Wai Choong	• Budget 2013 Tax Seminar • IFRS Masterclass 2013 • Enterprise Risk Management
Wong Yoke Nyen	• Enterprise Risk Management • Risk and Return and Modern Portfolio Theory • Audit Committee Seminar 2013 • Understanding & Interpreting Financial Statements • Related Party Transaction – Doing It Right For Results • Board Oversight Responsibilities For Merger And Acquisition - Passion Beyond Numbers • Investment and Trading strategies for ETFs and REITs

PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING BY THE COMPANY

The Board endeavours to present a set of balanced financial statements that provides a true and fair view of the state of affairs of the Company and of the Group at the end of each financial year. Before presenting the financial statements, the Directors have taken necessary steps to ensure that the Company and the Group apply accounting policies consistently, and that the policies are supported by reasonable and prudent judgment and estimates.

The Board is required by the Companies Act, 1965 to prepare financial statements which reflect a true and fair view of the state of affairs in the Company and the Group and the financial results of the Company and the Group for each financial year.

In preparing the financial statements, the Board is required to:

- Adopt suitable accounting policies consistently;
- Make judgments and estimates that are prudent and reasonable;
- Comply with applicable accounting standards;
- Prepare financial statements on a going concern basis unless otherwise stated; and
- Ensure proper keeping of accounting records with reasonable accuracy.

The Board is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Board is satisfied that in preparing the financial statements of the Company and the Group for the financial year ended 30 September 2013, the Company and the Group have used appropriate accounting policies and applied them consistently and prudently. The Board is of the opinion that the financial statements have prepared in accordance with all relevant approved accounting standards and have been prepared on a going concern basis.

Annually, prior to the commencement of the audit engagement, the external auditors confirm to the Audit Committee on their independence and during the financial year ended 30 September 2013, the external auditors have met once with the Audit Committee without the presence of the Executive Management.

PRINCIPLE 6: RECOGNISE AND MANAGE RISKS

The Board is responsible for the Group's risk management framework and establishment and continuous development of key policies and procedures pertaining to the system of internal control, which provides reasonable assurance of an effective and efficient operation, management of risks, safeguarding of assets, generation and retention of accurate financial records and compliance with applicable laws and regulations.

The Board reviews all significant litigation, actions, transactions and issues, papers and reports to external/third parties which have an impact on the Group that may attract adverse public, government, regulatory or other interest to ensure compliance with relevant legislation. The Board through the Audit Committee work closely with internal and external auditors to review and improve the system of internal controls from time to time with the objective to safeguard the assets of the Company and the Group and to ensure proper accountability at all levels of operations. Details of the Internal Control functions and internal audit activities are stated in the Statement on Risk Management and Internal Control on pages 24 and 25 of this Annual Report.

PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Company recognises the importance of timely dissemination of relevant corporate and other information to its shareholders and investors. Therefore, the Company complies strictly with the disclosure requirements of the Listing Requirements. Information is disseminated via the annual reports, circulars to shareholders, press releases, quarterly financial results and announcements from time to time to as well as via Bursa Securities.

To comply with Paragragh 9.21 of the Listing Requirements, the Group also maintains a website at www.sentoria.com.my that allows all shareholders and investors to gain access to the information relating to corporate information, corporate factsheet, annual reports, analyst reports and quarterly results of the Group.

PRINCIPLE 8: STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Board recognises the importance of keeping shareholders, investors, research analyst and the press informed of the Group's business performance, operations and corporate developments.

The Annual General Meeting serves as a principal form for dialogue with shareholders. All shareholders are encouraged to attend the Annual General Meeting, where the shareholders can participate and given the opportunity to ask questions regarding the business operations and financial performance and position of the Group.

In addition, regular meetings, sites visit are also scheduled to keep the investment community abreast of the Group's business developments and financial performance.

The Board has appointed Mr. Chung Wai Choong as the Senior Independent Non- Executive Director of the Board to whom concerns on issues affecting the Group may be conveyed.

ADDITIONAL COMPLIANCE
INFORMATION

A. UTILISATION OF PROCEEDS

The Company did not raise any proceeds from corporate proposals during the financial year ended 30 September 2013.

B. SHARE BUY BACK

Detailed of shares repurchased during the financial year ended 30 September 2013 are as follows:

Month	No of shares repurchased	Price (RM)	Total consideration (RM)
May 2013	1,000	0.72	761

C. SHARE AND SHARE OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

The Company did not issue any options and warrants during the financial year under review

D. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any depository receipt programme during the financial year.

E. SANCTIONS AND/OR PENALTIES

There were no sanctions and/or penalties imposed on the Group Directors or management by the relevant regulatory bodies.

F. VARIATION OF RESULTS

There is no material deviation between the profit after taxation in the announced unaudited consolidated income statement for the financial year ended 30 September 2013.

There were no profit estimates, forecast or projection published by the Group during the financial year.

G. PROFIT GUARANTEE

There was no profit guarantee by the Group during the financial year.

H. MATERIAL CONTRACTS

Other than the related party transactions entered into in the ordinary course of business as disclosed in Note 30 to the Financial Statements, there are no other material contracts entered into by the Group involving Directors' or major shareholders' interest, either subsisting at the end of the financial year ended 30 September 2013 or entered since the end of the previous financial year.

I. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

At the Extraordinary General Meeting held on 29 March 2013, the Company obtained shareholders' mandate allowing the Group to enter into recurrent related party transactions of a revenue or trading nature as disclosed in the Circular to Shareholders dated 15 March 2013.

In accordance with Section 3.1.5 of the Practice Note No. 12 of the Listing Requirements, the details of the recurrent related party transactions concluded during the financial year ended 30 September 2013 pursuant to the shareholders mandate are disclosed as follows:

Related party	Interested Director/Substantial shareholder	Nature of transaction	Nature of Relationship	Amount transacted during the financial year (RM'000)
HGH Property (HGH)	Dato' Gan Kim Leong	Agency fees paid by Sentoria Harta Sdn Bhd to HGH Property for sales of properties	Gan Hock Hoe who is a director of HGH Property is a brother of Dato' Gan Kim Leong	60

J. NON AUDIT FEES

There were no non audit fees paid to the external auditors or a firm affiliated to the external auditors by the Group for the financial year ended 30 September 2013.

STATEMENT ON
RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to Paragraph 15.26(b) of Listing Requirements, the Board is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 30 September 2013, which has been prepared in accordance with the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers).

BOARD RESPONSIBILITY

The Board is committed to fulfilling its responsibility of maintaining a sound risk management framework and system of internal control for the Group. The Board also recognises that such risk management and internal control are designed to manage the Group's risks within an acceptable level rather than eliminate the risks. Therefore, it can only provide reasonable and not absolute assurance against the risks of material misstatement of management and financial information, or against financial losses and fraud or breaches of laws or regulations.

RISK MANAGEMENT

The Board entrusts the Audit Committee ("AC") with the overall responsibility for overseeing the risk management activities of the Group, approving appropriate risk management procedures and measurement processes across the organisation, identification and management of strategic and key operational risks. The AC evaluates the adequacy and effectiveness of the Group's system of internal control and risk management through the internal audit function which conducts reviews of key business processes. To ensure independence, the internal auditors report directly to the AC.

A formal structured risk management framework has been established to better identify, evaluate and manage risks that could impact the overall business objectives of the Group. This framework provides clear policies, guidelines and organisational structure for the proper management of the risks.

As part of the risk management framework, a Risk Management Committee was set-up to identify, evaluate, manage and report key risks within defined parameters and standards. The on-going risk management review process involves the key management staff in each operating unit and this review is coordinated by the internal auditors. The risks identified remain the foundation in developing a risk profile and the action plans to assist the Board as well as key management to adequately respond to these risks.

INTERNAL AUDIT FUNCTION

The Board acknowledges the importance of the internal audit function and is committed to articulating, implementing and reviewing the Group's system of internal control. The internal audit function has been outsourced to an independent professional service provider to assist the AC in discharging their responsibilities and duties.

During the financial year under review, the internal audit of the Group is carried out in accordance with a risk-based audit plan approved by AC. The internal audit provides an assessment of the adequacy, efficiency and effectiveness of the Group's system of internal control to ensure that the internal control is viable and robust and where necessary, recommended improvements are presented to the AC at their quarterly meetings. In addition, the internal auditors also carried out follow-up reviews to ensure their recommendations for improvements to internal controls are implemented.

The key elements of the Group's system of internal control include:

1. A well-defined organisation structure with clearly defined lines of responsibility, authority and accountability;

2. Operational approval limits imposed on management in respect of day-to-day operations and authorised signatories for major operating functions and transactions;

3. Regular Board and management meetings are held where information is provided to the Board and management covering financial performances and operations;

INTERNAL AUDIT FUNCTION (CONT'D)

4. Regular training and development programs are being attended by employees with the objective of enhancing their knowledge and competency;

5. Management accounts and reports are prepared regularly for monitoring of actual performance;

6. Key functions such as finance, tax, treasury, corporate and legal matters are controlled centrally;

7. An fully independent AC comprising exclusively of Non-Executive Directors with full and unrestricted access to both internal and external auditors; and

8. The quarterly financial results and yearly audited financial statements reviewed by the AC prior to their approval by the Board.

ASSURANCE

The Board has reviewed the adequacy and effectiveness of the Group's risk management and system of internal control for the year under review and up to date of this Statement and is of the view that the risk management and system of internal control are satisfactory and there were no material losses incurred as a result of weakness in the internal control that would require disclosure in this Annual Report.

The Board will continuously improve and enhance the system of internal control to ensure its adequacy and relevance in safeguarding the shareholders' interests and the Group's assets.

Management is accountable to the Board for implementing and monitoring the system of risk management and internal control and for providing assurance to the Board that it has done so. For the period under review, the Joint Managing Directors and the Chief Financial Officer have provided assurance to the Board that the Group's risk management and internal control system are operating adequately and effectively in all material aspects based on the risk management and internal control systems adopted by the Group.

Consequently, the Board is of the view that the Group's risk management and internal control framework and systems is in place for the financial year under review and up to the date of issuance of the financial statements for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this Statement. Their review was performed in accordance with Recommended Practice Guide 5: Guidance for Auditors on the Review of Directors' Statement on Internal Control ("RPG 5"), issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal control of the Group. RPG 5 does not require the external auditors to, and they did not, consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

This Statement is made in accordance with the resolution of the Board dated 23 January 2014.

AUDIT COMMITTEE
REPORT

GENERAL

The Audit Committee was established to act as a committee of the Board with the primary objective of assisting the Board in fulfilling its fiduciary duties in relation to:

- Assessing the processes in relation to the risk and control environment
- Overseeing the financial reporting function
- Evaluating the internal and external audit processes

The Board reviews the term of office and performance of the Audit Committee and each member at least once every three (3) years to assess the extent to which the Audit Committee and its members have discharged its responsibilities as set out in its terms of reference.

The terms of reference of the Audit Committee are reviewed at least annually by the Board or as and when there are changes to the Malaysian Code on Corporate Governance 2012 or the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Audit Committee may also recommend any changes it consider necessary to the Board for approval.

MEMBERSHIP

Name	Designation/Directorship	Number of meetings attended
Chung Wai Choong	Chairman/Independent Non-Executive Director	5/5
Aznam bin Mansor	Member/Independent Non-Executive Director	4/5
Lee Chaing Huat	Member/Independent Non-Executive Director	5/5
Wong Yoke Nyen *(Appointed on 21 January 2013)*	Member/Independent Non-Executive Director	4/4

TERMS OF REFERENCE

A. Composition

(1) The Audit Committee shall be appointed by the Board from amongst the Directors of the Company which fulfils the following requirements:

(a) the Audit Committee must be comprised not fewer than three (3) members;

(b) all Audit Committee members must be Non-Executive Directors, with a majority of them being Independent Directors;

(c) at least one (1) member of the Audit Committee:

(i) must be a member of the Malaysian Institute of Accountants; or

(ii) if he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years' working experience and:

(aa) he/she must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

(bb) he/she must be a member of one of the association of accountants specified in Part II of 1st Schedule of the Accountants Act 1967; or

(iii) fulfils such other requirements as prescribed or approved by Bursa Securities; and

(d) no Alternate Director shall be appointed as an Audit Committee member.

TERMS OF REFERENCE (CONT'D)

A. Composition (cont'd)

(2) In the event of any vacancy in an Audit Committee resulting in the non-compliance of the above, the Company must fill the vacancy within three (3) months.

(3) The members of the Audit Committee shall elect a Chairman among themselves who shall be an Independent Director.

The Chairman of the Audit Committee should engage on a continuous basis with senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Group.

(4) All members of the Audit Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company. The Board must review the term of office and performance of the Audit Committee and each of its members at least once every three (3) years to determine whether the Audit Committee has carried out its duties in accordance with its terms of reference.

B. Secretary

The Company Secretary/ies of the Company or such substitute as appointed by the Board from time to time shall act as the Secretary of the Audit Committee.

C. Duties and Responsibilities

The main duties and responsibilities of the Audit Committee shall be:

(1) Review the following with external auditors and report the same to the Board:

(i) audit plan audit report/s, major findings and management's responses thereon;

(ii) evaluation of the system of internal controls;

(iii) audit fees, including the monitoring and approval of all non-audit services;

(iv) matters concerning the nomination, appointment (and re-appointment), resignation or dismissal of external auditors as well as the external auditors' independence, objectives and effectiveness, taking into consideration their relevant professional and regulatory requirements;

(v) the nature and scope of the audit and ensure co-ordination where more than one audit firm is involved before the audit commences; and

(vi) the assistance given by the Group's employees to the external auditors.

(2) Review the following in relation to the internal audit function:

(i) the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;

(ii) the internal audit plan, programme, processes, the results of the internal audit assessments, processes or investigation undertaken and whether or not appropriate actions are taken on the recommendations of the internal audit function;

(iii) any appointment or termination of the internal auditors, appraisal and assessment of the performance of the internal auditors. If internal audit members are employed in-house, to take cognisance of all resignations and provide the resigning internal audit member to submit his reasons for resigning; and

(iv) the assistance given by the Group's employees to the internal auditors and co-ordination of the internal auditors with the external auditors.

TERMS OF REFERENCE (CONT'D)

C. Duties and Responsibilities (cont'd)

(3) Review, manage and monitor risks that could potentially impact the Group and to oversee the implementation of risk governance on behalf of the Board by:

(i) approving the Board's acceptable risk appetite;

(ii) evaluating the principal risks and ensuring that these risks are appropriately communicated to management;

(iii) establishing in general, the risk management and control policies for the Group;

(iv) ensuring that the Group has implemented an effective ongoing process to identify risk, to measure the potential impact against a broad set of assumptions, and then to activate what is necessary to proactively pre-empt or manage these risks; and

(v) ensuring timely and regular receipt of reports from management of principal risks and that appropriate follow-up measures are implemented on a timely basis.

(4) Review the quarterly results and year-end financial statements prior to the approval by the Board, focusing particularly on:

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

(ii) significant and unusual events;

(iii) going concern assumption; and

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

(5) Review and monitor any related party transactions and conflict of interest situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

(6) Oversee the Company's internal control structure to ensure operational effectiveness and efficiency, reduced risk of inaccurate financial reporting, protect the Company's assets from misappropriation and encourage legal and regulatory compliance.

(7) Discuss problems and reservations arising from the audits and any matters the external auditors may wish to discuss in the absence of the management and/or executive board members where necessary.

(8) Consider the major findings of internal investigations and management's response.

(9) To report breaches of the Main Market Listing Requirements which have not been satisfactorily resolved, to Bursa Securities.

(10) Consider any other matters as directed by the Board.

D. Rights

In performing of its duties and responsibilities, the Audit Committee shall:

(1) have the authority to investigate any matter within its terms of reference;

(2) have the resources which are required to perform its duties;

(3) have full and unrestricted access to any information pertaining to the Group;

(4) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;

TERMS OF REFERENCE (CONT'D)

D. Rights (cont'd)

(5) be able to obtain independent professional or other advice at the expense of the Company and to invite outsiders with relevant experience and expertise to attend the Audit Committee meetings (if required) and to brief the Audit Committee; and

(6) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Group, whenever deemed necessary.

E. Procedure of Meetings

(1) Frequency of Meetings

The Audit Committee will meet at least four (4) times in each financial year although additional meetings may be called at any time, at the discretion of the Chairman of the Audit Committee.

(2) Calling of Meetings

Any member of the Audit Committee may at any time, and the financial controller and the Secretary shall on the requisition of any of the member of the Audit Committee or the external auditors, summon a meeting.

Audit Committee meetings may be held at two (2) or more venues within or outside Malaysia using any technologies that enable the Audit Committee members as a whole to participate for the entire duration of the meeting, and that all information and documents for the meeting must be made available to all members prior to or at the meeting. A minute of the proceedings of such meeting is sufficient evidence of the proceedings to which it relates.

(3) Notice of Meetings

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally or by fax or e-mail or by post or by courier to his registered address as appearing in the Register of Directors, as the case may be.

(4) Quorum for Meetings

The quorum shall consist of a majority of Independent Directors and shall not be less than two members.

(5) Attendance at Meetings

The financial director, the head of internal auditors and a representative of the external auditor should normally attend the meetings. Other Board members may attend meetings upon the invitation of the Audit Committee. However, the Audit Committee should meet with the external auditors and internal auditors or both without Executive Board members present at least twice a year.

(6) Voting at Meetings

A resolution put to the vote of the meeting shall be decided on a show of hands. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote.

(7) Keeping of Minutes of Meetings

Minutes of each meeting shall be signed by the chairman of the meeting at which the proceedings were held and kept as part of the statutory records of the Company upon confirmation by the Board and a copy shall be distributed to each member of the Audit Committee.

(8) Custody, Production and Inspection of Minutes of Meetings

The minutes shall be kept by the Company at the Registered Office or the principal place of business in Malaysia of the Company, and shall be open to the inspection of any member of the Audit Committee without charge.

AUDIT COMMITTEE
REPORT

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

In line with the terms of reference of the Audit Committee, the following activities were carried out by the Audit Committee during the financial year ended 30 September 2013 in the discharge of its functions and duties:

(a) Reviewed the unaudited quarterly financial results of the Group before approval by the Board for release to Bursa Securities.

(b) Reviewed and approved the external auditors' scope of work and audit plan prior to commencement of audit.

(c) Reviewed and discussed with the external auditors, the results of the audit, the audit report and findings noted in the course of the audit of the Group's and the Company's Financial Statements.

(d) Met with the external auditors and internal auditors without the presence of management staff and the Executive Directors.

(e) Reviewed and approved the internal auditors' scope of work.

(f) Reviewed and discussed with the internal auditors, their audit findings and issues arising during the course of audit.

(g) Reviewed and assessed the Enterprise Risk Management Report

(h) Reviewed the significant related party transactions entered into/to be entered into by the Group.

(i) Reviewed the Audit Committee Report for inclusion in the 2013 Annual Report and reviewed the Statement on Risk Management and Internal Control and Statement on Corporate Governance on behalf of the Board.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit division to an independent professional consulting firm to assist the Audit Committee in discharging their responsibilities and duties. The role of the internal audit function is to undertake independent regular and systematic reviews of the system of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactory and effectively in the Group.

On a quarterly basis, the internal auditor presents their audit reports which include their findings and recommendations to the Audit Committee for its review and deliberation. The Audit Committee also appraised the adequacy of the comments, actions and measures to be taken by the management in resolving the audit issues reported and recommended for further improvement.

The internal auditors also carried out follow-up reviews to monitor the implementation of the management's action plans and measures for reporting to the Audit Committee.

In the financial year ended 30 September 2013, the internal audit covered the review of the adequacy and effectiveness of the system of internal controls of the following processes:

- revenue recognition
- purchasing procedure
- housekeeping management
- inventory management
- payment process
- safety
- water quality control

In addition, the internal auditors have facilitated the Group in establishing the Risk Management Framework to manage risks. This framework assist the Board to determine the Group's level of risk tolerance, assess and manage risks, review the Group's internal control and also to communicate the risk management policy to all employees to ensure the risk strategy is incorporated and embedded in the Group's culture.

The total cost incurred for internal audit function for the financial year ended 30 September 2013 was RM40,000.

CHUNG WAI CHOONG
Chairman of Audit Committee

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 September 2013.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are disclosed in Note 7 to the Financial Statements.

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

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	53,099	9,375

Attributable to:

	Group RM'000
Owners of the parent	53,093
Non-controlling interest	6
	53,099

DIVIDENDS

The amount of dividends paid and declared since the end of the previous financial year were as follows:-

	RM'000
Final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended 30 September 2012 paid on 6 May 2013	4,000
Interim single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2013 paid on 15 January 2014	4,400

The Directors have proposed a final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended 30 September 2013. This proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the Notes to the Financial Statements.

HOLDING COMPANY

The ultimate holding company is Sentoria Capital Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia.

DIRECTORS' REPORT

DIRECTORS

The Directors in office since the date of the last report are:-

Dato' Chan Kong San
Dato' Gan Kim Leong
Aznam Bin Mansor
Lee Chaing Huat
Chung Wai Choong
Wong Yoke Nyen

According to the Register of Directors' Shareholdings, the beneficial interests of those who were Directors at the end of the financial year in the shares of the Company and its related corporations were as follows:-

	Ordinary shares of RM0.20 each				
	At 01.10.2012	**Bonus issue**	**Bought**	**Sold**	**At 30.9.2013**
Indirect interest					
Dato' Chan Kong San*	123,990,000	12,399,000	–	–	136,389,000
Dato' Gan Kim Leong*	123,990,000	12,399,000	–	–	136,389,000

* Deemed interest by virtue of their shareholdings in Sentoria Capital Sdn. Bhd.

By virtue of Dato' Chan Kong San and Dato' Gan Kim Leong's indirect interest in the shares of the Company, they are also deemed to have interest in the shares of all subsidiary companies pursuant to Section 6A of the Companies Act, 1965 to the extent that the Company has an interest.

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

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Notes 25 and 28 to the Financial Statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for those benefits which may be deemed to have arisen by virtue of those transactions entered into in the ordinary course of business by the Company and its subsidiary companies with the Directors or the companies in which the Directors are deemed to have substantial financial interests as disclosed in Note 30 to the Financial Statements.

ISSUE OF SHARES AND DEBENTURES

On 24 April 2013, the Company issued 40,000,000 new ordinary shares at RM0.20 each by way of bonus issue on the basis of 1 bonus share for 10 existing shares by capitalisation from its share premium.

The new ordinary shares issued by way of bonus issue during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There were no debentures issued during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased 1,000 ordinary shares of RM0.20 each of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.72 per share. The repurchased transactions were financed by internally generated funds. The shares repurchased were held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965.

As at 30 September 2013, the Company held 1,000 treasury shares out of the total 88,000,000 issued ordinary shares. Further relevant details are disclosed in Note 18 to the Financial Statements.

OTHER STATUTORY INFORMATION

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

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

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have 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 it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

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

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements 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 liability of any other person; or

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

In the opinion of the Directors:-

(a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

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

(c) 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 operations of the Group and of the Company for the current financial year in which this report is made.

DIRECTORS' REPORT

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 36 to the Financial Statements.

EVENTS AFTER THE REPORTING YEAR

Events after the reporting year are disclosed in Note 37 to the Financial Statements.

AUDITORS

The Auditors, Messrs SJ Grant Thornton, have expressed their willingness to continue in office.

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

....	)	
DATO' GAN KIM LEONG	)	
	)	
	)	
	)	**DIRECTORS**
	)	
	)	
....	)	
DATO' CHAN KONG SAN	)	

Kuala Lumpur
23 January 2014

STATEMENT
BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 38 to 93 are drawn up in accordance with Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2013 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out on Note 38 on page 94 to the Financial Statements has been compiled with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

DATO' GAN KIM LEONG

DATO' CHAN KONG SAN

Kuala Lumpur
23 January 2014

STATUTORY
DECLARATION

I, **Dato' Gan Kim Leong**, being the Director primarily responsible for the financial management of **Sentoria Group Berhad**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 38 to 93 and the financial information set out on page 94 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this 23rd day of)
January 2014)

DATO' GAN KIM LEONG

Before me:

RUZIA HANIM BINTI AMRAL BAKRI
No. W630
Commissioner for Oaths

INDEPENDENT
AUDITORS' REPORT
TO THE MEMBERS OF SENTORIA GROUP BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **Sentoria Group Berhad** which comprise the statements of financial position of the Group and of the Company as at 30 September 2013, 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 38 to 93.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 September 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the Act.

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

c) Our auditors' reports on the financial statements of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 38 on page 94 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

DATO' N. K. JASANI
(NO: 708/03/14 (J/PH))
PARTNER

Kuala Lumpur
23 January 2014

STATEMENTS OF
FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	218,875	157,621	6,355	6,578
Biological assets	5	5,098	–	–	–
Investment properties	6	8,155	7,577	–	–
Investment in subsidiary companies	7	–	–	10,875	10,875
Deferred tax assets	8	45,932	27,026	–	–
Fixed deposits with licensed banks	9	2,548	3,014	1,312	1,308
Goodwill on consolidation	10	3	3	–	–
Total non-current assets		280,611	195,241	18,542	18,761
Current assets					
Property development costs	11	41,446	23,355	–	–
Amount due from customers	12	571	4,325	–	–
Inventories	13	7,070	5,463	–	–
Trade receivables	14	106,833	64,847	4	4
Other receivables	15	16,338	10,040	2,912	4,461
Amount due from subsidiary companies	7	–	–	131,426	121,345
Tax recoverable		–	–	–	84
Fixed deposits with licensed banks	9	–	6,016	–	–
Cash and bank balances	16	6,235	12,927	635	90
Total current assets		178,493	126,973	134,977	125,984
Total assets		459,104	322,214	153,519	144,745
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	88,000	80,000	88,000	80,000
Share premium and treasury shares	18	29,381	37,582	29,381	37,582
Retained earnings		130,885	81,792	14,491	9,116
		248,266	199,374	131,872	126,698
Non-controlling interests		205	199	–	–
Total equity		248,471	199,573	131,872	126,698
Non-current liability					
Borrowings	19	58,134	29,836	44	113
Total non-current liability		58,134	29,836	44	113

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Current liabilities					
Amount due to customers	12	2,791	3,271	–	–
Trade payables	20	57,961	39,465	419	934
Other payables	21	62,979	25,174	11,775	1,720
Amount due to ultimate holding company	22	572	115	–	103
Amount due to subsidiary companies	7	–	–	7,880	13,129
Tax payable		3,305	9,720	8	–
Borrowings	19	24,891	15,060	1,521	2,048
Total current liabilities		152,499	92,805	21,603	17,934
Total liabilities		210,633	122,641	21,647	18,047
Total equity and liabilities		459,104	322,214	153,519	144,745

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

STATEMENTS OF
COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Revenue	23	207,511	179,295	16,558	5,562
Cost of sales	24	(130,023)	(100,554)	(49)	–
Gross profit		77,488	78,741	16,509	5,562
Other income		5,203	1,167	52	265
Distribution expenses		(1,124)	(1,321)	–	–
Administration expenses		(34,017)	(26,805)	(6,636)	(5,760)
Finance costs		(3,400)	(2,334)	(359)	(192)
Other operating costs		(340)	–	–	–
Profit/(loss) before taxation	25	43,810	49,448	9,566	(125)
Taxation	26	9,289	(1,606)	(191)	(274)
Net profit/(loss) / total comprehensive income/(loss) for the financial year		53,099	47,842	9,375	(399)
Attributable to:-					
Owners of the parent		53,093	47,834		
Non-controlling interests		6	8		
		53,099	47,842		
Earnings per share attributable to equity holders of the Company (Sen)					
- Basic	27	12.07	11.46		

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

	Note	Share capital RM'000	Share premium RM'000	Treasury share RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
		← Attributable to the owners of the Company →						
Group								
Balance as at 1 October 2011		2,000	–	–	106,193	108,193	191	108,384
Total comprehensive income for the financial year		–	–	–	47,834	47,834	8	47,842
		2,000	–	–	154,027	156,027	199	156,226
Transactions with owners:								
Bonus issue		66,000	–	–	(66,000)	–	–	–
Issuance of shares		12,000	39,600	–	–	51,600	–	51,600
Shares issuance expenses		–	(2,018)	–	(2,235)	(4,253)	–	(4,253)
Dividend	31	–	–	–	(4,000)	(4,000)	–	(4,000)
Total transactions with owners		78,000	37,582	–	(72,235)	43,347	–	43,347
Balance as at 30 September 2012		80,000	37,582	–	81,792	199,374	199	199,573
Total comprehensive income for the financial year		–	–	–	53,093	53,093	6	53,099
		80,000	37,582	–	134,885	252,467	205	252,672
Transactions with owners:								
Bonus issue		8,000	(8,000)	–	–	–	–	–
Shares issuance expenses		–	(200)	–	–	(200)	–	(200)
Shares buy back		–	–	(1)	–	(1)	–	(1)
Dividend	31	–	–	–	(4,000)	(4,000)	–	(4,000)
Total transactions with owners		8,000	(8,200)	(1)	(4,000)	(4,201)	–	(4,201)
Balance as at 30 September 2013		88,000	29,382	(1)	130,885	248,266	205	248,471

STATEMENTS OF
CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013

	Note	Share capital RM'000	Share premium RM'000	Treasury share RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
		← Attributable to the owners of the Company →						
Company								
Balance as at 1 October 2011		2,000	–	–	81,750	83,750	–	83,750
Total comprehensive loss for the financial year		–	–	–	(399)	(399)	–	(399)
		2,000	–	–	81,351	83,351	–	83,351
Transactions with owners:								
Bonus issue		66,000	–	–	(66,000)	–	–	–
Issuance of shares		12,000	39,600	–	–	51,600	–	51,600
Shares issuance expenses		–	(2,018)	–	(2,235)	(4,253)	–	(4,253)
Dividend	31	–	–	–	(4,000)	(4,000)	–	(4,000)
Total transactions with owners		78,000	37,582	–	(72,235)	43,347	–	43,347
Balance as at 30 September 2012		80,000	37,582	–	9,116	126,698	–	126,698
Total comprehensive income for the financial year		–	–	–	9,375	9,375	–	9,375
		80,000	37,582	–	18,491	136,073	–	136,073
Transactions with owners:								
Bonus issue		8,000	(8,000)	–	–	–	–	–
Shares issuance expenses		–	(200)	–	–	(200)	–	(200)
Shares buy back		–	–	(1)	–	(1)	–	(1)
Dividend	31	–	–	–	(4,000)	(4,000)	–	(4,000)
Total transactions with owners		8,000	(8,200)	(1)	(4,000)	(4,201)	–	(4,201)
Balance as at 30 September 2013		88,000	29,382	(1)	14,491	131,872	–	131,872

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

STATEMENTS OF
CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(loss) before taxation		43,810	49,448	9,566	(125)
Adjustments for:-					
Amortisation of investment properties		161	161	–	–
Dividend income		–	–	(10,000)	–
Depreciation		7,817	5,202	224	246
Interest expenses		3,308	2,375	342	181
Loss on disposal of biological assets		303	–	–	–
Loss on disposal of property, plant and equipment		37	–	–	–
Gain on disposal of land held for development		(4,242)	–	–	–
Interest income		(412)	(550)	(4)	(213)
Operating profit before working capital changes		50,782	56,636	128	89
Changes in working capital:-					
Property development cost		(20,365)	23,064	–	–
Inventories		(1,607)	(1,655)	–	–
Amounts due from/(to) customers		3,274	(971)	–	–
Receivables		(48,178)	(32,172)	1,549	(1,241)
Payables		56,302	5,076	9,540	685
Cash generated from/(used in) operations		40,208	49,978	11,217	(467)
Interest received		412	550	4	213
Interest paid		(3,308)	(2,375)	(342)	(181)
Tax paid		(16,050)	(8,542)	(99)	(157)
Tax refund		18	–	–	–
Net cash from/(used in) operating activities		21,280	39,611	10,780	(592)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		–	–	10,000	–
Purchase of property, plant and equipment	A	(67,965)	(65,660)	(39)	(82)
Purchase of investment properties		(739)	–	–	–
Purchase of biological assets		(5,628)	–	–	–
Additional investment in subsidiary companies		–	–	–	(5,900)
Upliftment/(placement) of fixed deposits		466	(179)	(4)	(37)
Proceeds from disposal of land held for development		6,500	–	–	–
Proceeds from disposal of property, plant and equipment		46	–	38	–
Proceeds from disposal of biological assets		137	–	–	–
Net cash (used in)/from investing activities		(67,183)	(65,839)	9,995	(6,019)

STATEMENTS OF
CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2013

	Note	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Net proceeds from issuance of shares		–	47,347	–	47,347
Shares issuance expenses		(200)	–	(200)	–
Shares buy back		(1)	–	(1)	–
Dividend paid		(4,000)	(4,000)	(4,000)	(4,000)
Advances from/(repayment to) ultimate holding company		457	115	(103)	103
Advances to subsidiary companies		–	–	(15,330)	(34,543)
Repayment of finance lease liabilities		(785)	(518)	(15)	(14)
Net drawdown/(repayment) of borrowings		29,323	(7,859)	(414)	(1,706)
Net cash from/(used in) financing activities		24,794	35,085	(20,063)	7,187
CASH AND CASH EQUIVALENTS					
Net (decrease)/increase		(21,109)	8,857	712	576
At beginning of financial year		14,199	5,342	(901)	(1,477)
At end of financial year	B	(6,910)	14,199	(189)	(901)

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

The Group and the Company acquired property, plant and equipment with aggregate costs of RM69,473,000 (2012: RM66,649,000) and RM39,000 (2012: RM82,000) respectively of which RM1,507,600 (2012: RM989,000) and Nil (2012: Nil) respectively was acquired by means of finance lease arrangements. Cash payments of RM67,965,400 (2012: RM65,660,000) and RM39,000 (2012: RM82,000) for the Group and the Company respectively were made to purchase the property, plant and equipment.

B. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:-

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Cash and bank balances	6,235	12,927	635	90
Fixed deposits with licensed banks	–	6,016	–	–
Bank overdrafts (Note 19)	(13,145)	(4,744)	(824)	(991)
	(6,910)	14,199	(189)	(901)

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

1. GENERAL INFORMATION

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are disclosed in Note 7 to the Financial Statements.

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

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office is located at No. 56 & 58 (2nd Floor), Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan.

The principal place of business of the Company is located at No. 56 & 58, Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan.

The ultimate holding company is Sentoria Capital Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors passed on 23 January 2014.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act 1965 in Malaysia and Financial Reporting Standards ("FRS") issued by Malaysian Accounting Standards Board ("MASB").

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 Adoption of New and Revised Financial Reporting Standards ("FRSs")

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year except for the following new and revised FRSs:-

Effective for annual financial period beginning on 1 January 2012:

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

2. BASIS OF PREPARATION (CONT'D)

2.4 Adoption of New and Revised Financial Reporting Standards ("FRSs") (cont'd)

Effective for annual financial period beginning on 1 July 2012:

(a) FRS 101 - Presentation of Financial Statements. Amendments relating to Presentation of Items of Other Comprehensive Income

Initial application of the above standards did not have any material impact on the financial statements of the Group and of the Company.

2.5 Standards issued but not yet effective

The followings are standards and IC Interpretations which are not yet effective and have not been earlier adopted by the Group and the Company:

Effective for annual financial period beginning on 1 January 2013

(a)	FRS 1	-	First-time Adoption of Financial Reporting Standards - Government Loans
(b)	FRS 7	-	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
(c)	FRS 10, 11 and 12	-	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
(d)	FRS 13	-	Fair Value Measurement
(e)	FRS 119	-	Employee Benefits
(f)	FRS 127	-	Separate Financial Statements
(g)	FRS 128	-	Investment in Associates and Joint Ventures
(h)	IC Interpretation 20	-	Stripping Costs in the Production Phase of a Surface Mine
(i)	Annual Improvements 2009 - 2011 Cycle issued in July 2012		

Effective for annual financial period beginning on 1 January 2014

(a)	FRS 10, 12 and 127	-	Consolidated Financial Statements, Disclosure of Interests in Other Entities and Separate Financial Statements: Investment Entities
(b)	FRS 132	-	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
(c)	FRS 136	-	Impairment of Assets: Amendments relating to Recoverable Amount Disclosures for Non-Financial Assets
(d)	FRS 139	-	Financial Instruments: Recognition and Measurement – Amendments relating to Novation of Derivatives and Continuation of Hedge Accounting
(e)	IC Interpretation 21	-	Levies

2. **BASIS OF PREPARATION (CONT'D)**

2.5 Standards issued but not yet effective (cont'd)

Effective for annual financial period beginning on 1 January 2015

(a)	FRS 9	-	Financial Instruments (International Financial Reporting Standards ("IFRS") 9 issued by International Accounting Standards Board ("IASB") in November 2009)
(b)	FRS 9	-	Financial Instruments (IFRS 9 issued by IASB in October 2010)

FRS 11, 12, 13, 127, 128 and IC Interpretation 20 are not applicable to the Group's operations.

FRS 10, 11, 12, 13, 128 and IC Interpretation 20 and 21 are not applicable to the Company's operations.

New MASB Approved Accounting Standards

To converge with International Financial Reporting Standards ("IFRSs") in 2012, the MASB had on 19 November 2011, issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRSs"), which are mandatory for annual financial periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venture ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRSs for an additional three years. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group falls within the scope of Transitioning Entities and has opted to defer adoption of MFRSs. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 September 2016.

In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group and the Company have not completed their quantification of the financial effects of the differences between FRS and accounting standards under the MFRS Framework and are in the process of assessing the financial effects of the differences. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the financial year ended 30 September 2013 could be different if prepared under the MFRS Framework.

The Group and the Company expect to be in a position to fully comply with the requirements of the MFRS Framework not later than 30 September 2016.

2.6 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty

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

Useful lives of depreciable assets

Management estimates the useful lives of the property, plant and equipment to be within 2 to 96 years and reviews the useful lives of depreciable assets at the end of each reporting date. At 30 September 2013, management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts of the Group's property, plant and equipment, biological assets and investment properties at the reporting date are disclosed in Notes 4, 5 and 6 to the Financial Statements respectively. Actual results, however, may vary due to change in the expected levels of usage and technological developments, with resulting adjustment to the Group's assets.

Property development activities

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

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of assets and liabilities of the Group arising from property development activities are disclosed in Note 11 to the Financial Statements.

Impairment of non-financial assets

The Directors assess whether the carrying amount of its non-financial assets are impaired at each reporting date. This involves measuring the recoverable amounts based on the fair value less costs to sell or value in use of these assets.

Fair value less costs to sell is determined based on available published third party information or contractual value in agreements entered into by the Group or the Company.

Impairment of loans and receivables

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

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

The carrying amounts of the Group's and of the Company's loans and receivables at the reporting date are summarised in Notes 14 and 15 to the Financial Statements.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.1 Estimation uncertainty (cont'd)

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses, unutilised capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unabsorbed tax losses, unutilised capital allowances and unused tax credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Income taxes

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

Construction contract

Construction contract accounting requires reliable estimation of the costs to complete the contract and reliable estimate of the stage of contract completion. Using experience gained on each contract and taking into account of the expectation of the time and materials required to complete the contract, management uses budgeting tools to estimate the profitability of the contract at any time.

Construction contract accounting requires that variation, claims and incentive payments only be recognised as contract revenue to the extent that it is probable that they will be accepted by the customer. As the approval process often takes some time, a judgment is required to be made of its probability and revenue recognised accordingly.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's businesses are subject to economical and social preference changes which may cause selling prices to change rapidly and the Group's profit to change.

The carrying amount of the Group's inventories at the reporting date is disclosed in Note 13 to the Financial Statements.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts, internal and external to the Group and to the Company, for matters in the ordinary course of business.

2. BASIS OF PREPARATION (CONT'D)

2.6 Significant accounting estimates and judgements (cont'd)

2.6.2 Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group and of the Company that have the most significant effect on the financial statements.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Certain properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portions separately if the portions could be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Construction contracts

The stage of completion of any construction contract is assessed by management by taking into consideration all information available at the reporting date. In this process, management carries out significant judgements about milestones, actual work performed and the estimated costs to complete the work. Further information on the Group's accounting policy for construction contracts is provided in Note 3.12 to the Financial Statements.

Deferred tax assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiaries are all drawn up to the same reporting period.

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

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in statements of comprehensive income.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree, if any, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of the non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statements of financial position. The accounting policy for goodwill is set out in Note 3.7. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in the statements of comprehensive income on the acquisition date.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position, separately from equity attributable to the owners of the parent.

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

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Subsidiaries

A subsidiary is a company in which the Group or the Company has the power to exercise control over the financial and operating policies so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investment in subsidiaries is stated at cost less any impairment losses in the Company's financial position.

Upon the disposal of investment in a subsidiary, the difference between the net disposal proceeds and its carrying amount is included in the statements of comprehensive income.

3.3 Property, plant and equipment

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

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in the statements of comprehensive income as incurred.

Property, plant and equipment are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value. Recoverable amount is the net selling price of the property, plant and equipment, that is, the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Depreciation is recognised on the straight line method in order to write off the cost of each asset over its estimated useful life. Freehold land with an infinite life and work in progress are not depreciated. Other property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Long term leasehold land	94 - 96 years
Long term leasehold buildings	89 - 95 years
Buildings	2%
Cabin	10% - 50%
Furniture, fittings and office equipment	8% - 50%
Motor vehicles	20%
Plant and machinery	10% - 50%
Renovation	10%

The residual values, useful lives and depreciation method are reviewed at least annually to ensure that the amount, method and period charge 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.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the statements of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Investment properties

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost, including transaction cost. Cost includes expenditures that are directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment properties to a working condition for their intended use and capitalised borrowing costs.

Subsequent to initial recognition, investment properties are treated as long-term investment and are measured at cost less accumulated amortisation and accumulated impairment losses, if any. The carrying amount includes the cost of replacing part of existing investment properties at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of investment properties.

Amortisation on investment properties is computed on the straight line basis in order to write off the cost over its estimated useful life. The principal annual amortisation rate used is as follows:-

Buildings	2%
Land	Over 96 years

Investment properties are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value. Recoverable amount is the net selling price of the investment properties, that is, the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of investment properties is recognised in the statements of comprehensive income in the year of retirement or disposal.

3.5 Biological assets

All items of biological assets 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. All upkeep and maintenance costs are charged to the statements of comprehensive income during the financial year in which they incurred.

Subsequent to initial recognition, biological assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation of biological assets is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated biological life, at annual rates of 10% to 20%.

The residual values, biological life and depreciation method are reviewed at each reporting date to ensure that the amount, method and period of depreciation are consistent with the expected pattern of consumption of the future economic benefits embodied in the items of biological assets.

An item of biological assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the statements of comprehensive income.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Property development costs

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

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

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probably will be recoverable, and property development costs on properties sold are recognised as expenses in the year in which they incurred.

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

Property development costs not recognised as expenses are recognised as assets, which are measured at the lower of cost and net realisable value.

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

3.7 Goodwill

Goodwill represents the excess of the sum of the fair value of the consideration transferred in the business combination, the amount of the non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities of a subsidiary, associate and jointly-controlled entity at the date of acquisition.

Goodwill arising on the acquisition of subsidiaries is presented separately in the statements of financial position.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying values may be impaired.

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

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

An impairment loss recognised for goodwill should not be reversed in subsequent period. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment by comparing its carrying amount with its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

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 written down to its recoverable amount.

Impairment losses recognised in respect of a cash-generating unit or groups of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to those units or group 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 as an expense in the statements of comprehensive income immediately, except for the assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statements of comprehensive income unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.9 Financial instruments

Financial assets and financial liabilities are recognised when the Group or the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets and financial liabilities are measured subsequently as described below.

Financial assets - categorisation and subsequent measurement

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

a) financial assets at fair value through profit or loss;
b) held-to-maturity investments;
c) loans and receivables; and
d) available-for-sale financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Financial instruments (cont'd)

Financial assets - categorisation and subsequent measurement (cont'd)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date.

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

At the reporting date, the Group and the Company carry only loans and receivables on their statements of financial position.

<u>Loans and receivables</u>

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less allowance for impairment. Discounting is omitted where the effect of discounting is immaterial. Gains or losses are recognised in the statements of comprehensive income when the loans and receivables are derecognised or impaired, and through the amortisation process. The Group's and the Company's cash and cash equivalents, amount due from subsidiary companies, trade and most of the other receivables fall into this category of financial instruments.

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

Financial liabilities - categorisation and subsequent measurement

After the initial recognition, financial liabilities are classified as:

a) financial liabilities at fair value through profit or loss;
b) other financial liabilities measured at amortised cost; and
c) financial guarantee contracts.

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

At the reporting date, the Group and the Company carry only other financial liabilities measured at amortised cost on their statements of financial position.

<u>Other financial liabilities measured at amortised cost</u>

The Group's and the Company's other financial liabilities include borrowings, amounts due to ultimate holding company and subsidiary companies, trade and other payables.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group or the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Impairment of financial assets

Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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

The carrying amount of the financial asset is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

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

3.11 Inventories

Property development

Inventories are stated at the lower of cost and net realisable value. When necessary, allowance is made for deteriorated, obsolete and slow moving inventories.

Cost is determined using the weighted average method. The cost of unsold properties consists of direct costs of construction and proportional land and development costs.

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

Leisure and hospitality

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

Cost is determined using the weighted average method. The cost of inventories comprises the original cost of purchase plus the cost of bringing the inventories to their present location and condition.

In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. Net realisable value is the estimated selling price in the ordinary course of business, less any estimated cost necessary to make the sale.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Construction contracts

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

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of contract as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the end of the reporting period. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to be recognised in a period of the contract by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probably recoverable and contract costs are recognised as expenses in the period in which they are incurred.

Irrespective whether the outcome of a construction contract can be estimated reliably, when it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

The aggregate of the costs incurred and the profit/loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amount due from customers on contracts under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amount due to customers on contracts under current liabilities.

3.13 Cash and cash equivalents

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

Bank overdrafts are shown in current liabilities in the statements of financial position.

For the purpose of the financial position, cash and cash equivalents restricted to be used to settle a liability of 12 months or more after the reporting date are classified as non-current asset.

3.14 Provisions

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Group or the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provision are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Lease

Finance lease

The cost of property, plant and equipment acquired under hire purchase arrangements which transferred substantially all the risks and rewards of ownership to the Group are capitalised. The depreciation policy on these property, plant and equipment is similar to that of the Group's property, plant and equipment depreciation policy. Outstanding obligations due under hire purchase arrangements after deducting finance expenses are included as liabilities in the financial statements. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as expenses in the statements of comprehensive income over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period.

Operating lease

Leases where substantially all the risks and rewards of ownership of assets remained with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the statements of comprehensive income on a straight-line basis over the relevant lease terms. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3.16 Equity, reserve and dividend payments

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

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

The revaluation reserve within equity comprises gains and losses due to the revaluation of property, plant, and equipment.

Retained earnings include all current and prior years' profits.

All transactions with owners of the Company are recorded separately within equity.

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings in the year in which they are declared and approved.

3.17 Treasury shares

When issued shares of the Company are repurchased, the consideration paid, including directly attributable costs is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in the profit or loss on the sale, reissuance or cancellation of treasury shares.

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

When treasury shares are reissued by resale, the difference between the sale consideration net of directly attributable costs and the carrying amount of the treasury shares is shown as a movement in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Government grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are deducted in arriving at the carrying amount of the asset. The grant is then recognised as income over the life of the depreciable asset by way of a reduced depreciation charge.

3.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

3.20 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured.

Development properties

Revenue from sales of development properties is accounted for by using the stage of completion method in respect of all properties that have been sold. The stage of completion is determined by reference to the costs incurred to date to the total estimated costs where the outcome of the projects can be estimated reliably. Where foreseeable losses on development projects are anticipated, full allowance for losses is made in the statement of comprehensive income.

Construction work

Revenue from construction work is recognised based on percentage of completion method, where the outcome of the contract can be reliably estimated. Stage of completion is based on the total contract cost incurred to date over the estimated total contract costs of a project. Any anticipated loss is recognised in full.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Leisure and hospitality

Revenue is recognised upon delivery of products and/or performance of services.

Management fee

Management fees are recognised when services are rendered.

Dividend income

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.20 Revenue recognition (cont'd)

Other revenue

Interest income is recognised on accrual basis.

Rental income is recognised when the rent is due.

The revenue of the Group is stated after eliminating sales within the Group.

3.21 Employee benefits

Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year, in which the associated services are rendered by the 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 occurred.

Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group or the Company pays fixed contributions into separate entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recognised as expenses in the statements of comprehensive income as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

3.22 Income tax

Current tax

Income tax on the statements of comprehensive income for the year comprises current and deferred tax. Current tax expenses are the expected amount of income taxes payable in respect of the taxable profit for the year and are measured using the tax rates that have been enacted by the reporting date.

Deferred tax

Deferred tax liabilities and assets are provided for under the liability method in respect of all temporary differences at the reporting date between the carrying amount of an asset or liability in the statements of financial position and its tax base including unabsorbed tax losses and unutilised capital allowances.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax assets to be utilised, the carrying amount of the deferred tax assets will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

Deferred tax is recognised in the statements of comprehensive income, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.23 Segmental results

Operating segment

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

Intersegment transfer

Segment revenues, expenses and result include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the economic entity in negotiated term. These transfers are eliminated on consolidation.

3.24 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs such that outflow is probable and can be measured reliably, they will then be recognised as a provision.

3.25 Related party

A related party is a person or entity that is related to the Company. A related party transaction is a transfer of resources, services or obligations between the Company and its related party, regardless of whether a price is charged.

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) has control or joint control over the Company; or
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the ultimate holding company of the Company, or the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) the entity and the Company are members of the same group; or
- (ii) one entity is an associate or joint venture of the other entity; or
- (iii) both entities are joint ventures of the same third party; or
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity; or
- (v) the entity is a post-employment benefit plan for the benefits of employees of either the Company or an entity related to the Company; or
- (vi) the entity is controlled or jointly-controlled by a person identified in (a) above; or
- (vii) a person identified in (a)(i) above has significant influence over the Company or is a member of the key management personnel of the ultimate holding company or the Company.

4. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings and office equipment RM'000	Renovation RM'000	Work in progress RM'000	Total RM'000
Cost							
As at 1 October 2011	65,187	3,494	4,178	13,265	718	20,297	107,139
Additions	1,049	1,300	1,461	10,279	9	52,551	66,649
Transfer	43,205	–	–	–	–	(43,205)	–
As at 30 September 2012	109,441	4,794	5,639	23,544	727	29,643	173,788
Additions	5,541	1,098	2,439	4,648	72	55,675	69,473
Disposals	–	(1)	(781)	–	–	–	(782)
Transfer	76,118	–	–	–	–	(76,118)	–
Reclassification	–	483	(7)	(476)	–	–	–
As at 30 September 2013	191,100	6,374	7,290	27,716	799	9,200	242,479
Accumulated depreciation							
As at 1 October 2011	2,303	1,977	1,947	4,370	368	–	10,965
Charge for the financial year	1,345	652	727	2,412	66	–	5,202
As at 30 September 2012	3,648	2,629	2,674	6,782	434	–	16,167
Charge for the financial year	2,122	843	1,039	3,745	68	–	7,817
Disposals	–	–	(380)	–	–	–	(380)
Reclassification	16	439	37	(492)	–	–	–
As at 30 September 2013	5,786	3,911	3,370	10,035	502	–	23,604
Net carrying amount							
As at 30 September 2013	185,314	2,463	3,920	17,681	297	9,200	218,875
As at 30 September 2012	105,793	2,165	2,965	16,762	293	29,643	157,621

The Group and the Company had elected to measure, in accordance with FRS 1, paragraph 17, its revalued land and buildings at the date of the transition to FRS, as deemed cost.

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

Analysis of land and buildings:-

Group (cont'd)	Freehold land RM'000	Long term leasehold land RM'000	Long term leasehold buildings RM'000	Cabin RM'000	Total RM'000
Cost					
As at 1 October 2011	5,867	861	58,116	343	65,187
Additions	–	–	1,042	7	1,049
Transfer	–	–	43,205	–	43,205
As at 30 September 2012	5,867	861	102,363	350	109,441
Additions	–	2,427	3,061	53	5,541
Transfer	–	–	76,118	–	76,118
As at 30 September 2013	5,867	3,288	181,542	403	191,100
Accumulated depreciation					
As at 1 October 2011	–	3	1,972	328	2,303
Charge for the financial year	–	9	1,335	1	1,345
As at 30 September 2012	–	12	3,307	329	3,648
Charge for the financial year	–	12	2,092	18	2,122
Reclassification	–	–	–	16	16
As at 30 September 2013	–	24	5,399	363	5,786
Net carrying amount					
As at 30 September 2013	5,867	3,264	176,143	40	185,314
As at 30 September 2012	5,867	849	99,056	21	105,793

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

Company	Land and buildings RM'000	Furniture, fittings and office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Cost						
As at 1 October 2011	5,906	938	497	559	627	8,527
Additions	–	73	–	–	9	82
As at 30 September 2012	5,906	1,011	497	559	636	8,609
Additions	–	37	–	–	2	39
Disposals	–	–	(338)	(18)	–	(356)
As at 30 September 2013	5,906	1,048	159	541	638	8,292
Accumulated depreciation						
As at 1 October 2011	126	476	391	465	327	1,785
Charge for the financial year	10	107	51	21	57	246
As at 30 September 2012	136	583	442	486	384	2,031
Charge for the financial year	11	118	17	21	57	224
Disposals	–	–	(300)	(18)	–	(318)
As at 30 September 2013	147	701	159	489	441	1,937
Net carrying amount						
As at 30 September 2013	5,759	347	–	52	197	6,355
As at 30 September 2012	5,770	428	55	73	252	6,578

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

Analysis of land and buildings:-

Company (cont'd)	Freehold land RM'000	Long term leasehold buildings RM'000	Total RM'000
Cost			
As at 1 October 2011/30 September 2012/ 30 September 2013	4,975	931	5,906
Accumulated depreciation			
As at 1 October 2011	–	126	126
Charge for the financial year	–	10	10
As at 30 September 2012	–	136	136
Charge for the financial year	–	11	11
As at 30 September 2013	–	147	147
Net carrying amount			
As at 30 September 2013	4,975	784	5,759
As at 30 September 2012	4,975	795	5,770

Leasehold land and building including work in progress of the Group and of the Company with net carrying amount of RM179,894,000 (2012: RM118,653,000) and RM784,000 (2012: RM795,000) respectively have been charged to local banks to secure banking facilities amounting to RM113,970,000 (2012: RM74,103,000) and RM675,000 (2012: RM675,000) respectively granted to the Group and the Company. The details of these bank borrowings are disclosed in Note 19 to the Financial Statements.

Freehold land of the Group with net carrying amount of RM3,150,000 (2012: RM893,000) has been charged to local banks to secure banking facilities amounting to RM3,150,000 (2012: RM893,000) granted to the Group. The details of these bank borrowings are disclosed in Note 19 to the Financial Statements.

Net carrying amount of assets held under finance lease arrangements

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Motor vehicles	3,163	2,433	52	73
Plant and machinery	184	220	–	–
	3,347	2,653	52	73

5. BIOLOGICAL ASSETS

	Group RM'000
Cost	
At 1 October 2011 / 30 September 2012	–
Additions	5,628
Disposal	(530)
At 30 September 2013	5,098
Net carrying amount	
At 30 September 2013	5,098
At 30 September 2012	–

Biological assets consist of animals kept for the Bukit Gambang Safari Park's operations.

6. INVESTMENT PROPERTIES

Group	Leasehold buildings RM'000	Long term leasehold land RM'000	Total RM'000
Cost			
At 1 October 2011 / 30 September 2012	6,417	1,563	7,980
Additions	739	–	739
At 30 September 2013	7,156	1,563	8,719
Accumulated amortisation			
At 1 October 2011	226	16	242
Charge for the financial year	145	16	161
At 30 September 2012	371	32	403
Charge for the financial year	145	16	161
At 30 September 2013	516	48	564
Net carrying amount			
At 30 September 2013	6,640	1,515	8,155
At 30 September 2012	6,046	1,531	7,577

6. INVESTMENT PROPERTIES (CONT'D)

The leases of investment properties contain an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee and are renewed for 2 to 3 years. No contingent rents are charged.

The investment properties with net carrying amount of RM4,925,000 (2012: RM4,294,000) has been pledged to a licensed bank for banking facility granted.

The estimated fair values of the investment properties are RM8,647,000 (2012: RM8,699,000).

The following are recognised in the statements of comprehensive income in respect of investment properties:-

	Group	
	2013	**2012**
	RM'000	**RM'000**
Direct operating expenses:		
- quit rent and assessment	15	24
- Insurance	3	4
At end of financial year	18	28

7. SUBSIDIARY COMPANIES

(a) Investment in subsidiary companies

	Company	
	2013	**2012**
	RM'000	**RM'000**
Unquoted shares		
- at cost		
At beginning of financial year	10,875	4,975
Additions during the financial year	–	5,900
At end of financial year	10,875	10,875

7. SUBSIDIARY COMPANIES (CONT'D)

(a) Investment in subsidiary companies (cont'd)

Details of the subsidiary companies, all of which are incorporated in Malaysia, are as follows:-

Name of company	Effective equity interest 2013 %	2012 %	Principal activities
Sentoria Properties Sdn. Bhd.	100	100	Property development
Sentoria Bina Sdn. Bhd.	100	100	General contractor
Sentoria Harta Sdn. Bhd.	100	100	Property development
Sentoria Alam Sdn. Bhd.	100	100	Property development
Sentoria Resorts Sdn. Bhd.	100	100	Property development
Sentoria Alfa Sdn. Bhd.	70	70	Property development and project management services
Sentoria Vacation Club Berhad	100	100	Vacation club operator
Sentoria Morib Bay Sdn. Bhd. *(formerly known as Sentoria Morib Sdn. Bhd.)*	100	–	Dormant
Sentoria Land Sdn. Bhd.	100	–	Dormant
Sentoria Borneo Samariang Sdn. Bhd.	100	–	Dormant
Sentoria Borneo Land Sdn. Bhd.	100	–	Dormant
Sentoria Themeparks and Resorts Sdn. Bhd.	100	100	Hotel, water and safari park operator
Subsidiary Companies of Sentoria Themeparks and Resorts Sdn. Bhd.			
Blue Sky Leisure Sdn. Bhd.	100	100	Travel agent
Star Wholesale Sdn. Bhd.	100	100	Dormant
Sempurna Resort Kuantan Sdn. Bhd.	100	100	Dormant
Sentoria Morib Bay Sdn. Bhd. *(formerly known as Sentoria Morib Sdn. Bhd.)*	–	100	Dormant

(b) Amounts due from/(to) subsidiary companies

The amounts due from/(to) subsidiary companies are non-trade in nature, unsecured, interest-free and repayable on demand.

8. DEFERRED TAX ASSETS

	Group	
	2013	2012
	RM'000	RM'000
At beginning of financial year	27,026	15,144
Transferred from statements of comprehensive income (Note 26)	18,906	11,882
At end of financial year	45,932	27,026

The balance in the deferred tax assets is made up of tax impact on temporary differences arising from:-

	Group	
	2013	2012
	RM'000	RM'000
Carrying amount of qualifying property, plant and equipment in excess of their tax base	(7,860)	(4,937)
Unabsorbed business losses	960	1,026
Unutilised capital allowances	3,613	713
Unutilised tax allowances	48,911	28,290
Other temporary differences	308	1,934
	45,932	27,026

One of the subsidiary companies is entitled to a tax exemption of an amount equivalent to 100% of qualifying expenditure incurred within 10 years from the Year of Assessment ("YA") 2008 pursuant to the letter of approval of 2 December 2009 from Majlis Pembangunan Wilayah Ekonomi Pantai Timur. Therefore, in order to determine the statutory income, it is necessary to ascertain the total qualifying expenditure incurred by the subsidiary company during YA 2008 to YA 2017, by excluding the rental income derived from certain resort suites.

9. FIXED DEPOSITS WITH LICENSED BANKS

Group

Included in fixed deposits with licensed banks is an amount of RM2,547,836 (2012: RM3,013,516) which was pledged to banks for credit facilities granted.

Company

Included in fixed deposits with licensed banks is an amount of RM1,246,086 (2012: RM1,246,086) and RM65,915 (2012: RM61,948) respectively pledged to banks for credit facilities granted to the Company and its subsidiary companies respectively.

10. GOODWILL ON CONSOLIDATION

	Group	
	2013	2012
	RM'000	RM'000
Goodwill arising on consolidation	3	3

11. PROPERTY DEVELOPMENT COSTS

	Group 2013 RM'000	Group 2012 RM'000
At beginning of financial year		
- Freehold land, at cost	5,063	7,329
- Long term leasehold land, at cost	25,013	24,653
- Development costs	386,584	338,627
	416,660	370,609
Costs incurred during the financial year		
- Freehold land, at cost	4,310	(2,266)
- Long term leasehold land, at cost	19,011	360
- Development costs	84,912	47,957
	108,233	46,051
Less: Reversal of completed projects	(256,959)	–
Disposed during the financial year	(2,258)	–
	(259,217)	–
Total	265,676	416,660
Cost recognised in the statements of comprehensive income		
- Previous financial year	(393,305)	(324,190)
- Current financial year	(87,765)	(69,115)
- Reversal of completed project	256,959	–
- Transfer to inventories	(119)	–
	(224,230)	(393,305)
At end of financial year	41,446	23,355

Included in the property development costs are the following charges capitalised during the financial year:-

	Group 2013 RM'000	Group 2012 RM'000
Interest expenses	930	864
Rental of site office	3	7
Rental of model house	21	314

The title deed of the freehold land and long term leasehold land under development amounting to RM7,301,676 and RM49,074,514 (2012: RM3,262,326 and RM25,367,395) respectively are registered in the name of third parties.

The freehold land and long term leasehold land under development amounting to RM2,257,676 and RM43,579,992 (2012: RM1,800,000 and RM21,782,822) respectively are charged to licensed banks to secure bank borrowings.

12. AMOUNT DUE FROM/(TO) CUSTOMERS

	Group 2013 RM'000	Group 2012 RM'000
Cost incurred to date	571	4,325
Progress billings issued to date	(2,791)	(3,271)
	(2,220)	1,054
Amount due from customers	571	4,325
Amount due to customers	(2,791)	(3,271)
	(2,220)	1,054

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

	Group 2013 RM'000	Group 2012 RM'000
Depreciation	866	617
Interest expenses	239	158
Rental of staff quarter	9	3
Staff costs	12,020	8,455

13. INVENTORIES

	Group 2013 RM'000	Group 2012 RM'000
At cost:-		
Food, beverage and other hotel supplies	6,951	5,463
Completed property held for sale	119	–
	7,070	5,463

14. TRADE RECEIVABLES

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Trade receivables	48,301	43,904	88	88
Accrued billings	58,699	21,110	–	–
Retention sums	33	33	–	–
	107,033	65,047	88	88
Allowance for impairment loss				
At 1 October/30 September	(200)	(200)	(84)	(84)
	106,833	64,847	4	4

The normal credit terms granted by the Group and by the Company to the trade receivables ranging from 21 to 60 days (2012: 21 to 60 days).

14. TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables

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

	Gross RM'000	Individually impaired RM'000	Net RM'000
Group			
2013			
Not past due	16,223	–	16,223
Past due 0-30 days	6,818	–	6,818
Past due 31-60 days	24,199	–	24,199
Past due more than 61 days	1,094	(200)	894
	48,334	(200)	48,134
2012			
Not past due	27,697	–	27,697
Past due 0-30 days	10,901	–	10,901
Past due 31-60 days	5,127	–	5,127
Past due more than 61 days	212	(200)	12
	43,937	(200)	43,737
Company			
2013			
Past due more than 1 year	88	(84)	4
2012			
Past due more than 1 year	88	(84)	4

The Group and the Company has trade receivables amounting to RM31,911,173 and RM3,748 (2012: RM16,040,937 and RM3,748) respectively that are past due at the reporting date but not impaired. No allowance has been made as the Directors are of the view that the amount is recoverable.

The net carrying amount of trade receivables is considered a reasonable approximate of their fair value. The maximum exposure to credit risk is the carrying value of each class of receivables mentioned above. Trade receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The Directors are of the opinion that the trade receivables, net of the abovementioned allowance for impairment loss are recoverable, therefore, no additional allowance for impairment loss is required.

15. OTHER RECEIVABLES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-trade receivables	9,956	7,495	265	3,669
Deposits	6,370	2,157	2,647	792
Prepayments	12	388	–	–
	16,338	10,040	2,912	4,461

16. CASH AND BANK BALANCES

Included in cash and bank balances of the Group is an amount of RM3,772,129 (2012: RM10,225,861) held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act ,1966.

17. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2013 Unit	2012 Unit	2013 RM'000	2012 RM'000
Authorised:-				
Ordinary shares of RM0.20 each				
At the beginning of financial year	500,000	5,000	100,000	5,000
Sub-division	–	20,000	–	–
Created during the financial year	–	475,000	–	95,000
At the end of financial year	500,000	500,000	100,000	100,000
Issued and fully paid:-				
Ordinary shares of RM0.20 each				
At the beginning of financial year	400,000	2,000	80,000	2,000
Sub-division	–	8,000	–	–
Issued during the financial year				
- Bonus issue	40,000	330,000	8,000	66,000
- Public issue	–	60,000	–	12,000
At the end of financial year	440,000	400,000	88,000	80,000

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

18. SHARE PREMIUM AND TREASURY SHARES

SHARE PREMIUM

	Group and Company	
	2013	2012
	RM'000	RM'000
At the beginning of financial year	37,582	–
Arising from issuance of shares	–	39,600
Bonus issue	(8,000)	–
Share issuance expenses	(200)	(2,018)
At the end of financial year	29,382	37,582

TREASURY SHARES

	Group and Company	
	2013	2012
	RM'000	RM'000
At the beginning of financial year	–	–
Own shares acquired	(1)	–
At the end of financial year	(1)	–

19. BORROWINGS

	Group		Company	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Current				
Secured				
Finance lease liabilities	821	541	16	15
Bank overdrafts	13,145	4,744	824	991
Bankers' acceptance	4,979	3,636	636	1,000
Term loans	5,946	6,139	45	42
	24,891	15,060	1,521	2,048
Non-current				
Secured				
Finance lease liabilities	1,689	1,564	27	43
Term loans	56,445	28,272	17	70
	58,134	29,836	44	113
Total	83,025	44,896	1,565	2,161

The repayment terms of the term loans vary from monthly instalment to yearly instalment.

19. BORROWINGS (CONT'D)

The borrowings are secured by way of:-

(i) Legal charge over certain properties (Notes 4 and 6);
(ii) Pledge of fixed deposits with licensed banks (Note 9);
(iii) Corporate guarantee from Credit Guarantee Corporation Malaysia Berhad;
(iv) Joint and several guarantee by certain Directors;
(v) Corporate guarantees by the Company for borrowings facilities granted to subsidiary companies; and
(vi) Legal charge over the freehold land and long term leasehold land under development (Note 11).

The term loans and bank overdraft facilities bear interest rates ranging from 1.00% to 1.55% and 1.25% to 2.00% (2012: 1.00% to 1.25% and 1.25% to 2.00%) respectively per annum above the banks' base lending rate.

Bankers' acceptance is charged at commission rates ranging from 4.90% to 5.46% (2012: 3.37% to 5.69%) per annum.

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Finance lease liabilities				
Minimum lease payments				
- not later than 1 year	947	634	18	18
- more than 1 year but less than 5 years	1,802	1,682	28	46
	2,749	2,316	46	64
Future finance charges	(239)	(211)	(3)	(6)
Present value of finance lease liabilities	2,510	2,105	43	58
Present value of finance lease liabilities				
- not later than 1 year	821	541	16	15
- more than 1 year but less than 5 years	1,689	1,564	27	43
	2,510	2,105	43	58

The finance lease liabilities of the Group and of the Company bear interests at rates ranging from 2.28% to 4.00% (2012: 2.28% to 5.00%) and 2.70% (2012: 2.70%) per annum respectively.

20. TRADE PAYABLES

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Trade payables	49,878	32,375	46	34
Retention sums	8,083	7,090	373	900
	57,961	39,465	419	934

The normal credit terms granted by the trade payables range from 30 days to 60 days (2012: 30 days to 60 days).

21. OTHER PAYABLES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Non-trade payables	1,581	2,863	647	567
Accruals	60,939	21,690	637	1,153
Advances received	459	–	–	–
Deferred income	–	621	10,491	–
	62,979	25,174	11,775	1,720

Included in other payables of the Group and of the Company are amounts of RM302,304 (2012: RM350,000) and RM102,304 (2012: RM100,000) respectively which are due to companies in which certain Directors have interests. The amounts due to the said companies are non-trade in nature, unsecured, interest-free and repayable on demand.

Included in other payables of the Group and of the Company are amounts of RM384,000 (2012: RM284,903) and RM384,000 (2012: RM284,903) respectively which are due to Directors. The amounts due to Directors are non-trade in nature, unsecured, interest-free and repayable on demand.

22. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due to ultimate holding company is non-trade in nature, unsecured, interest-free and repayable on demand.

23. REVENUE

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Sales of properties	143,036	124,005	–	–
Rendering of services	64,475	55,290	–	–
Dividend income	–	–	10,000	–
Management fee	–	–	6,558	5,562
	207,511	179,295	16,558	5,562

24. COST OF SALES

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Rendering of services	42,258	31,439	–	–
Property development costs	87,765	69,115	49	–
	130,023	100,554	49	–

25. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation has been determined after charging/(crediting) amongst other item the following:-

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
After charging :-				
Auditor's remuneration				
- statutory audit	156	136	26	25
Amortisation of investment properties	161	161	–	–
Bank overdrafts interest	491	219	340	85
Bankers' acceptance commission	225	144	–	–
Depreciation	7,817	5,202	224	246
Directors' salaries and other benefits	3,965	2,945	3,965	2,945
Directors' fees				
- for the current financial year	384	285	384	285
- under provision in prior financial year	–	26	–	26
Finance lease interest	150	96	2	3
Loss on disposal of biological assets	303	–	–	–
Loss on disposal of property, plant and equipment	37	–	–	–
Rental expenses - premises	288	168	240	120
Rental expenses - staff quarters	9	-	–	–
Term loans interest	2,442	1,916	–	93

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
And crediting:-				
Dividend income	–	–	10,000	–
Gain on disposal of land held for development	4,242	–	–	–
Interest income				
- fixed deposits	173	369	4	213
- others	239	181	–	–
Rental income - premises	46	49	46	49
Rental income - staff quarters	132	79	–	–

25. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

The details of remuneration receivable by the Directors during the financial year are as follows:-

	Group and Company	
	2013 RM'000	2012 RM'000
Executive:-		
Salaries and other emoluments	2,832	2,157
Bonus	708	473
Defined contribution plan	425	315
	3,965	2,945
Non-Executive:-		
Fees		
- for the current financial year	384	285
- under provision in prior financial year	–	26
Meeting allowances		
- for the current financial year	53	27
- under provision in prior financial year	–	2
	437	340

26. TAXATION

	Group		Company	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Current financial year provision	9,375	11,135	80	–
Under provision in prior financial years	242	2,353	111	274
Transferred to deferred tax assets (Note 8)	(18,906)	(11,882)	–	–
	(9,289)	1,606	191	274

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

The Group's unabsorbed business losses, unutilised capital allowances and unutilised tax allowances which can be carried forward to offset against future taxable profit amounted to approximately RM4,284,000 (2012: RM4,350,000), RM15,072,000 (2012: RM2,852,000) and RM203,796,000 (2012: RM113,161,000) respectively.

However, the above amounts are subject to the agreement by Inland Revenue Board of Malaysia.

26. TAXATION (CONT'D)

A reconciliation of income tax expenses on profit/(loss) before taxation with the applicable statutory income tax rate is as follows:-

	Group 2013 %	Group 2012 %	Company 2013 %	Company 2012 %
Applicable statutory income tax rate	25.0	25.0	25.0	25.0
Tax effects in respect of:-				
Expenses not deductible for tax purposes	1.5	1.5	2.1	(25.0)
Income not subject to tax	(2.5)	(0.1)	(26.3)	–
Unutilised investment tax allowances granted during the financial year	(48.8)	(28.0)	–	–
Under/(over) provision of taxation in prior financial year	0.6	4.8	1.2	(219.2)
Overprovision of deferred tax in prior year	0.7	–	–	–
Changes in tax rate for recognising deferred tax	2.3	–	–	–
Average effective tax rate	(21.2)	3.2	2.0	(219.2)

27. EARNINGS PER SHARE

Group

The basic earnings per ordinary share for the financial year has been calculated based on the profit attributable to ordinary equity holders of the Company divided by the weighted average number of ordinary shares in issue.

	Group 2013 RM'000	Group 2012 RM'000
Net profit attributable to equity holders of the Company	53,093	47,834
Weighted average number of ordinary shares in issue (unit '000)	440,000	417,541
Basic earnings per share (sen)	12.07	11.46

28. EMPLOYEES BENEFITS EXPENSES

	Group 2013 RM'000	Group 2012 RM'000	Company 2013 RM'000	Company 2012 RM'000
Directors' remuneration	3,965	2,945	3,965	2,945
Salaries, wages and other emoluments	31,683	23,964	545	746
Defined contribution plans	2,206	1,710	63	77
Social security contributions	298	216	3	5
Other staff related expenses	946	863	51	187
	39,098	29,698	4,627	3,960

29. CONTINGENT LIABILITIES (UNSECURED)

	Company	
	2013	**2012**
	RM'000	**RM'000**
Corporate guarantees given to licensed banks for facilities granted to and utilised by subsidiary companies	103,970	60,170

30. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Significant related party transactions during the financial year were as follows:-

	Group		Company	
	2013	**2012**	**2013**	**2012**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Transaction with ultimate holding company:				
Rental expenses payable	48	48	–	–
Transactions with subsidiary companies:				
(i) Management fee received	–	–	6,558	5,562
(ii) Dividend received	–	–	10,000	–
(iii) Disposal of property, plant and equipment	–	–	38	–
Transactions with companies in which the Directors, Dato' Chan Kong San and Dato' Gan Kim Leong have interests:				
(i) Progress billings issued to Bukit Gambang Capital Sdn. Bhd.	–	2,435	–	–
(ii) Rental expenses payable to Bukit Gambang Capital Sdn. Bhd.	485	197	–	–
(iii) Sales to Imperia Academy of Tourism Sdn. Bhd.	148	71	–	–
(iv) Purchase of materials from Imperia Academy of Tourism Sdn. Bhd.	8	–	–	–
(v) Staff training and development from Imperia Academy of Tourism Sdn. Bhd.	8	–	–	–
Transactions with entities in which persons connected to Dato' Gan Kim Leong have interests:				
(i) Rental expenses payable	48	48	–	–
(ii) Tax consulting fee paid	72	68	9	9
(iii) Agency fee paid	60	150	–	–

(b) Joint and several personnel guarantees of RM24,830,000 (2012: RM42,535,000) and RM31,000 (2012: RM135,000) provided by Dato' Chan Kong San and Dato' Gan Kim Leong for banking facilities granted to the Group and the Company respectively (Note 19).

30. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(c) The remuneration of key management personnel during the financial year were as follows:-

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Salaries and other short-term employee benefits	2,832	3,357	2,832	2,157
Bonus	708	634	708	473
Defined contribution plan	425	450	425	315
	3,965	4,441	3,965	2,945

31. DIVIDENDS

The final single tier dividend in respect of financial year ended 30 September 2012 of RM0.01 per ordinary share amounting to RM4,000,000 was paid on 6 May 2013.

An interim single tier dividend of RM0.01 per ordinary share amounting to RM4,400,000 in respect of financial year ended 30 September 2013 was paid on 15 January 2014.

32. FINANCIAL INSTRUMENTS

Categories of financial instruments

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

i. Loan and receivables (L&R); and
ii. Other liabilities measured at amortised cost (AC)

Group

2013	**Carrying amount RM'000**	**L&R RM'000**	**AC RM'000**
Financial assets			
Trade and other receivables	123,159	123,159	–
Fixed deposits with licensed banks	2,548	2,548	–
Cash and bank balances	6,235	6,235	–
	131,942	131,942	–
Financial liabilities			
Borrowings	83,025	–	83,025
Trade and other payables	120,483	–	120,483
Amount due to ultimate holding company	572	–	572
	204,080	–	204,080

32. FINANCIAL INSTRUMENTS (CONT'D)

Categories of financial instruments (Cont'd)

Group

2012	**Carrying amount RM'000**	**L&R RM'000**	**AC RM'000**
Financial assets			
Trade and other receivables	74,499	74,499	–
Fixed deposits with licensed banks	9,030	9,030	–
Cash and bank balances	12,927	12,927	–
	96,456	96,456	–
Financial liabilities			
Borrowings	44,896	–	44,896
Trade and other payables	64,018	–	64,018
Amount due to ultimate holding company	115	–	115
	109,029	–	109,029

Company

2013	**Carrying amount RM'000**	**L&R RM'000**	**AC RM'000**
Financial assets			
Trade and other receivables	2,916	2,916	–
Amount due from subsidiary companies	131,426	131,426	–
Fixed deposits with licensed banks	1,312	1,312	–
Cash and bank balances	635	635	–
	136,289	136,289	–
Financial liabilities			
Borrowings	1,565	–	1,565
Trade and other payables	1,703	–	1,703
Amount due to subsidiary companies	7,880	–	7,880
	11,148	–	11,148

32. FINANCIAL INSTRUMENTS (CONT'D)

Categories of financial instruments (Cont'd)

Company

2012	Carrying amount RM'000	L&R RM'000	AC RM'000
Financial assets			
Trade and other receivables	4,465	4,465	–
Amount due from subsidiary companies	121,345	121,345	–
Fixed deposits with licensed banks	1,308	1,308	–
Cash and bank balances	90	90	–
	127,208	127,208	–
Financial liabilities			
Bank borrowings	2,161	–	2,161
Trade and other payables	2,654	–	2,654
Amount due to subsidiary companies	13,129	–	13,129
	17,944	–	17,944

Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its risks. The Group and the Company operate within policies that are approved by the Directors and the Group's policies are not to engage in speculative transactions.

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

32.1 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from trade receivables. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group's portfolio of financial instrument is broadly diversified along industry, products and geographical lines, and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

32.1 Credit risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk:-

i. Receivables

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

With a credit policy in place to ensure the credit risk is monitored on an on-going basis, management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group uses aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than credit terms granted are deemed to have higher credit risk, and are monitored individually.

Financial assets that are neither past due nor impaired and either past due or impaired are disclosed in Note 14 to the Financial Statements.

In respect of trade and other receivables, the Group and the Company are not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various backgrounds. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

ii. Intercompany balances

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The Company provides unsecured advances to subsidiary companies and monitors the results of the subsidiary companies regularly.

As at the end of the reporting year, there was no indication that the advances to the subsidiary companies are not recoverable.

iii. Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

iv. Financial guarantees

The maximum exposure to credit risk is amounted to RM103,970,000 (2012: RM60,170,000) in respect of corporate guarantees given to financial institutions of subsidiary companies as at the end of the reporting year.

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to the subsidiary companies. The Company monitors on an on-going basis the results of the subsidiary companies and repayments made by the subsidiary companies. As at the end of the reporting year, there was no indication that the subsidiary companies would default on repayment.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

32.2 Interest rate risk

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

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group's and the Company's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

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

	Group RM'000	Company RM'000
30 September 2013		
Fixed rate instruments		
Fixed deposits with licensed banks	2,548	1,312
Finance lease liabilities	2,510	43
Floating rate instrument		
Borrowings	80,515	1,522
30 September 2012		
Fixed rate instruments		
Fixed deposits with licensed banks	9,030	1,308
Finance lease liabilities	2,105	58
Floating rate instrument		
Borrowings	42,791	2,103

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/- 0.5%. These changes are considered to be reasonably possible based on observation of current market conditions.

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

32.2 Interest rate risk (cont'd)

The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Group Profit for the financial year		Company (Loss)/profit for the financial year	
	RM'000 +0.5%	RM'000 -0.5%	RM'000 +0.5%	RM'000 0.5%
Floating rate instruments				
30 September 2013	(244)	244	(29)	29
30 September 2012	(175)	175	(15)	15

32.3 Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group and the Company will not be able to meet its financial obligations as they fall due, due to shortage of funds.

In managing its exposures to liquidity and cash flow risks arises principally from its various payables, loans and borrowings, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

As at 30 September, the Group's and the Company's non-derivative financial liabilities which have contractual maturities (including interest payments) are summarised below:-

	Group			
	Current	Non-current		
2013	Less than 1 year RM'000	Between 1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
Secured:				
Borrowings	29,541	41,844	35,569	106,954
Unsecured:				
Trade payables	57,961	–	–	57,961
Other payables	62,979	–	–	62,979
Amount due to ultimate holding company	572	–	–	572
	121,512	–	–	121,512
Total	151,053	41,844	35,569	228,466

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

32.3 Liquidity and cash flow risks (cont'd)

2012	**Group** **Current** **Less than 1 year** **RM'000**	**Non-current** **Between 1 to 5 years** **RM'000**	**More than 5 years** **RM'000**	**Total** **RM'000**
Secured:				
Borrowings	17,709	23,774	15,020	56,503
Unsecured:				
Trade payables	39,465	–	–	39,465
Other payables	25,174	–	–	25,174
Amount due to ultimate holding company	115	–	–	115
	64,754	–	–	64,754
Total	82,463	23,774	15,020	121,257

2013	**Company** **Current** **Less than 1 year** **RM'000**	**Non-current** **Between 1 to 5 years** **RM'000**	**Total** **RM'000**
Secured:			
Borrowings	1,526	45	1,571
Unsecured:			
Trade payables	419	–	419
Other payables	11,775	–	11,775
Amount due to subsidiary companies	7,880	–	7,880
	20,074	–	20,074
Total	21,600	45	21,645

32. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management (cont'd)

32.3 Liquidity and cash flow risks (cont'd)

2012	**Company Current Less than 1 year RM'000**	**Non-current Between 1 to 5 years RM'000**	**Total RM'000**
Secured:			
Borrowings	2,058	120	2,178
Unsecured:			
Trade payables	934	–	934
Other payables	1,720	–	1,720
Amount due to ultimate holding company	103	–	103
Amount due to subsidiary companies	13,129	–	13,129
	15,886	–	15,886
Total	17,944	120	18,064

33. FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and financial liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or immaterial discounting impact.

It is not practicable to estimate the fair value of the Company's investment in unquoted shares due to the lack of comparable quoted prices in active market. In addition, it is impracticable to use valuation technique to estimate the fair value reliably as a result of significant variability in the inputs of the valuation technique. The Company does not intend to dispose of these investments in the near future.

Fair value hierarchy

No fair value hierarchy is disclosed as the Group and the Company do not have financial instruments measured at fair value.

34. CAPITAL MANAGEMENT

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

The Group sets the amount of capital in proportion to its overall financing structure, that is, equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

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

35. SEGMENTAL REPORTING

Management currently identifies the Group's property development and leisure and hospitality and others as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results. The following summary describes the operations in each of the Group's reportable segments:-

Property development and related activities	:	Development of residential, commercial and leisure properties and its related activities
Leisure and hospitality	:	Hotel, water and safari park operator
Others	:	Investment holdings

Transfer pricing between operating segments are on a negotiated basis and all other transactions with third parties are on an arm's length basis.

(a) Business segments

2013	Note	Property development RM'000	Leisure and hospitality RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External revenue		143,036	64,475	–	–	207,511
Inter-segment	A	136,031	690	16,558	(153,279)	–
		279,067	65,165	16,558	(153,279)	207,511
Results						
Segment profit	B	39,431	3,001	9,916	(5,550)	46,798
Interest income		408	–	4	–	412
Finance cost		(460)	(2,581)	(359)	–	(3,400)
Depreciation and amortisation		(1,676)	(6,078)	(224)	–	(7,978)
Taxation		(9,333)	20,439	(192)	(1,625)	9,289
Other non-cash income/(expenses)	C	4,220	(302)	–	(16)	3,902
Assets						
Segment assets	D	175,787	226,164	11,221	–	413,172
Additions to non-current assets	E	1,251	75,023	39	(473)	75,840
Liabilities						
Segment liabilities	F	105,059	9,655	9,589	–	124,303

35. SEGMENTAL REPORTING (CONT'D)

(a) Business segments (cont'd)

2012	Note	Property development RM'000	Leisure and hospitality RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External revenue		124,005	55,290	–	–	179,295
Inter-segment	A	148,671	–	5,562	(154,233)	–
		272,676	55,290	5,562	(154,233)	179,295
Results						
Segment profit	B	43,861	8,072	(146)	(555)	51,232
Interest income		337	–	213	–	550
Finance cost		(341)	(1,801)	(192)	–	(2,334)
Depreciation and amortisation		(1,472)	(3,484)	(246)	–	(5,202)
Taxation		(13,272)	11,935	(274)	5	(1,606)
Other non-cash income/(expenses)	C	–	–	–	–	–
Assets						
Segment assets	D	129,165	153,582	12,441	–	295,188
Additions to non-current assets	E	2,305	64,797	82	(535)	66,649
Liabilities						
Segment liabilities	F	56,604	8,665	2,756	–	68,025

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

A. Intersegment revenues are eliminated on consolidation.

B. The following items are added to/(deducted from) segment profit to arrive at "profit before taxation" presented in the consolidated statements of comprehensive income:-

	2013 RM'000	2012 RM'000
Segment profit	46,798	51,232
Interest income	412	550
Finance costs	(3,400)	(2,334)
	43,810	49,448

35. SEGMENTAL REPORTING (CONT'D)

(a) Business segments (cont'd)

C. Other non-cash (expenses)/income consist of the following items as presented in the respective notes to the financial statements:-

	2013 RM'000	2012 RM'000
Gain on disposal of land held for development	4,242	–
Loss on disposal of biological assets	(303)	–
Loss on disposal of property, plant and equipment	(37)	–
	3,902	–

D. The following items are added to segments assets to arrive at total assets reported in the consolidated statements of financial position:-

	2013 RM'000	2012 RM'000
Segment assets	413,172	295,188
Deferred tax assets	45,932	27,026
Total assets	459,104	322,214

E. Additions to non-current assets other than financial instruments and deferred tax assets consist of:-

	2013 RM'000	2012 RM'000
Property, plant and equipment	69,473	66,649
Biological assets	5,628	–
Investment properties	739	–
	75,840	66,649

F. The following items are added to segments liabilities to arrive at total liabilities reported in the consolidated statements of financial position:-

	2013 RM'000	2012 RM'000
Segment liabilities	124,303	68,025
Borrowings	83,025	44,896
Tax payable	3,305	9,720
Total liabilities	210,633	122,641

(b) Geographical segment

Geographical segment is not prepared as the Group carries out its business activities solely in Malaysia.

(c) Major customers

The Group does not have any revenue for any single external customer which represents 10% or more of the Group's revenue.

36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(i) On 2 November 2012, Sentoria Alfa Sdn. Bhd. ("SAFSB"), a subsidiary company obtained approval from the State Secretary of Pahang in relation to its application for the additional 3 parcels of land totalling 180 acres for expansion of Bukit Gambang Resort City for a total consideration of RM23 million.

As at reporting date, the acquisition of the said land has yet to be completed.

(ii) On 31 December 2012, the Company entered into a Joint Venture Agreement and a Development Rights Agreement with Sieramas Development Sdn. Bhd. to jointly undertake the development of 204 acres and 150 acres of land respectively held at Mukim Morib, Daerah Kuala Langat, Selangor Darul Ehsan into a mixed development of commercial and residential units and water theme park, resort and convention centre, boutique hotel and safari park respectively.

(iii) On 24 April 2013, the Company completed a bonus issue of 40,000,000 new ordinary shares of RM0.20 each to be credited as fully paid up on the basis of 1 bonus share for every 10 existing shares.

(iv) On 23 August 2013, Sentoria Borneo Samariang Sdn. Bhd., a wholly-owned subsidiary company entered into a sale and purchase agreement with a third party to purchase a sub-divided land, measuring approximately 200 acres, situated at Bandar Samariang township, Kuching for a purchase consideration of RM17 million on a "as-is-where-is" basis.

As at reporting date, the acquisition of the said land has yet to be completed.

(v) On 23 August 2013, Sentoria Borneo Land Sdn. Bhd., a wholly-owned subsidiary company entered into a sale and purchase agreement with a third party to purchase a sub-divided land, measuring approximately 300 acres, known as Residential Land-1 and Residential Land-2 situated at Bandar Samariang township, Kuching for a purchase consideration of RM30 million on a "as-is-where-is" basis.

As at reporting date, the acquisition of the said land has yet to be completed.

37. EVENTS AFTER THE REPORTING YEAR

(i) On 5 December 2013, the Company subscribed for 75% of the equity in Sentoria Langkawi Sdn. Bhd. for a total cash subscription of RM75,000.

(ii) On 30 December 2013, the Company entered into a share purchase agreement with third parties for the purchase of 75,000 ordinary shares of RM1 representing 30% of the issued and paid-up share capital of SAFSB, for a total consideration of RM9 million. As a consequence, SAFSB became a wholly- owned subsidiary company of the Company.

(iii) On 23 January 2014, the Company announced that it proposes to undertake the following proposals:

(a) a bonus issue of 88,000,000 warrants in the Company ("Warrants") on the basis of one (1) Warrant for every five (5) existing ordinary shares of RM0.20 each in the Company held on an entitlement date to be determined;

(b) to increase the authorised share capital of the Company from RM100,000,000 comprising 500,000,000 ordinary shares of RM0.20 each to RM200,000,000 comprising 1,000,000,000 ordinary shares of RM0.20 each; and

(c) to amend the Memorandum and Articles of Association of the Company to facilitate the above proposed increase in authorised share capital.

The above proposals are subject to the approvals of:

(i) Bursa Securities Malaysia Berhad for the admission of the Warrants to the Official List and the listing of and quotation for the Warrants and the new shares of the Company to be issued upon the exercise of the Warrants;

(ii) Bank Negara Malaysia for the issuance of the Warrants to non-resident entitled shareholders of the Company; and

(iii) shareholders of the Company at an Extraordinary General Meeting to be convened.

38. DISCLOSURE OF REALISED AND UNREALISED PROFITS

With the purpose of improving transparency, Bursa Malaysia Securities Berhad had on 25 March 2010, and subsequently on 20 December 2010, issued directives which required all listed corporations to disclose the breakdown of unappropriated profits or accumulated losses into realised and unrealised on group and company basis in the annual audited financial statements.

The breakdown of retained profits as at reporting date which has been prepared by the Directors in accordance with the directives from Bursa Malaysia Securities Berhad stated above and the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants are as follows:

	Group		Company	
	2013 RM'000	**2012 RM'000**	**2013 RM'000**	**2012 RM'000**
Total retained profits of the Group and of the Company				
- Realised	88,493	61,133	14,491	9,116
- Unrealised	45,932	27,026	–	–
	134,425	88,159	14,491	9,116
Consolidation adjustments	(3,540)	(6,367)	–	–
	130,885	81,792	14,491	9,116

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

The above disclosures were reviewed and approved by the Board of Directors in accordance with a resolution of the Directors passed on 23 January 2014.

LIST OF
MATERIAL PROPERTIES
HELD BY THE GROUP

No.	Location	Description/ Existing use	Date of Acquisition/ Date of Valuation	Land Area (Sq. metres)	Tenure	Net Book Value (RM)
1	Bukit Gambang Safari Park, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur	Safari park known as Bukit Gambang Safari Park	30.09.2013	357,151	Leasehold 99 years/ Expiring on 27.03.2107	79,184,614
2	Arabian Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur	Corporate centre and club house, Sixty-six (66) units of 1-bedroom hotel suites and ten (10) units of penthouse suites together with basement level car park, commercial area and parking lots	14.09.2012	33,661	Leasehold 99 years/ Expiring on 27.03.2107	44,227,033
3	Bukit Gambang Water Park, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur	Water theme park known as Bukit Gambang Water Park	18.11.2009	15,365	Leasehold 99 years/ Expiring on 27.03.2107	39,230,532
4	Master Title No. 3212-3224, 3234-3242, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Land held for development/ On-going and future mixed development project known as Global Heritage North and South	20.01.2012	446,190	Freehold	31,368,938
5	HSD 30043 PT2224, HSD 30044 PT2225, HSD 30046 PT 2227 and HSD 30047 PT 2228, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Land held for development/ On-going and future mixed development project within Bukit Gambang Resort City known as Bukit Gambang Safari Park Phase 2, East Coast Bazaar, resort suites, business hotel and convention centre	28.03.2008	504,849	Leasehold 99 years/ Expiring on 27.03.2107	13,975,208
6	Bukit Rangin, HSD 43915 PT119491, Mukim Kuala Kuantan, District of Kuantan, State of Pahang Darul Makmur	Land held for development/ on-going and future mixed development known as Bukit Rangin 2 and 3 which comprises of single storey terrace house, semi-detached house, etc	06.02.2012	882,215	Leasehold 99 years/ Expiring on 05.08.2112	12,011,863
7	Caribbean Bay Resort, Jalan Bukit Gambang Utama, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur	4-storey building with 3 basement level car park/club house, commercial area and parking lots	21.12.2009	14,566	Leasehold 99 years/ Expiring on 27.03.2107	8,252,572
8	Jalan TIS 1, Taman Indera Sempurna, 25150 Kuantan, Pahang Darul Makmur	108 rooms budget hotel consisting of three (3) blocks 3-storey buildings/A budget hotel known as Sempurna Resort	28.10.2009	5,901	Leasehold 99 years/ Expiring on 11.09.2106	7,678,170

LIST OF
MATERIAL PROPERTIES
HELD BY THE GROUP

No.	Location	Description/ Existing use	Date of Acquisition/ Date of Valuation	Land Area (Sq. metres)	Tenure	Net Book Value (RM)
9	Salak Tinggi, HSM 2782 to 2798 PT 2386 to 2402, HSM 2753 to 2766 PT 2403 to 2416, Mukim of Labu, District of Sepang, State of Selangor Darul Ehsan	Land held for development/ On-going development known as Taman Salak Maju which comprises of 31 units semi-detached house and bungalow	09.04.1999	11,661	Freehold	5,218,303
10	No. 3, 5, 7 and 9, Lorong GD 12; No. 1, 3, 5, 7, 9, 11, 13, and 15, Lorong GD 13; No. 1, 5, 7, 9, 11, 13, 15, 17, 19 and 21, Lorong GD 14; No. 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56, and 58, Lorong GD 15; No. 34, 41, 56 and 57, Lorong GD 16, Taman Gambang Damai, 26300 Kuantan, Pahang Darul Makmur	Fifty-five (55) units of single-storey low medium cost terrace houses / Bukit Gambang Resort's staff quarters	22.07.2007	6,286	Leasehold 99 years/ Expiring on 27.03.2107	3,230,591

ANALYSIS OF SHAREHOLDINGS
AS AT 07 FEBRUARY 2014

Authorised Share Capital	:	RM 100,000,000
Issued and Paid Up Share Capital	:	RM 88,000,000
Class of Shares	:	Ordinary Share of RM 0.20 each
Voting Rights	:	One vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%^
Less than 100 shares	21	1.81	891	0.00
100 - 1,000 shares	206	17.73	74,900	0.02
1,001 - 10,000 shares	503	43.29	2,399,250	0.55
10,001 - 100,000 shares	345	29.69	9,744,820	2.21
100,001 to less than 5% of issued shares	84	7.23	108,667,805	24.70
5% and above of issued shares	3	0.26	319,111,334	72.53
Total	**1,162**	**100.00**	**439,999,000**	**100.00**

LIST OF THIRTY (30) LARGEST SHAREHOLDERS
(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares	%^
1	Sentoria Capital Sdn Bhd	247,778,000	56.31
2	State Secretary, Pahang	46,333,334	10.53
3	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd *Seriemas Development Sdn Bhd for Sentoria Capital Sdn Bhd*	25,000,000	5.68
4	Azizah Binti Kassim	18,326,000	4.17
5	Yim Yuen Wah	18,326,000	4.17
6	Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang	11,000,000	2.50
7	LKPP Corporation Sdn Bhd	11,000,000	2.50
8	Mercsec Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Goh Chun Chong*	6,530,750	1.48
9	Goh Chun Seng	5,720,000	1.30
10	RHB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chin Yong Sang*	3,805,000	0.86
11	Tan Siew Bee	3,500,000	0.80
12	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chin Yong Sang*	3,495,906	0.79
13	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB Bank for Goh Chun Chong (MY1416)*	3,117,400	0.71
14	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Abdul Mutti Bin Shafain (8099101)*	2,640,440	0.60
15	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Kim Ping (8110250)*	1,770,000	0.40
16	HDM Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Kim Ping (M09)*	1,068,630	0.24

ANALYSIS OF SHAREHOLDINGS
AS AT 07 FEBRUARY 2014

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)
(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares	%^
17	Chan Swee Hoong	1,055,000	0.24
18	Chin Yong Sang	787,600	0.18
19	Wong Yoke Mei	557,000	0.13
20	Chan Uai Kan	550,000	0.13
21	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Tan Siew Choo*	532,510	0.12
22	AMSEC Nominees (Tempatan) Sdn Bhd *Pledged Securities Account – Ambank (M) Berhad for Abdul Mutti Bin Shafain (Sentoria)*	445,940	0.10
23	Goh Chun Seng	440,220	0.10
24	Ho Swee Hwa	440,000	0.10
25	Pua Koon Lee	430,000	0.10
26	Gan Song Beng	426,220	0.10
27	Eng Kim Seng	400,000	0.09
28	Tan Chiang Kee	400,000	0.09
29	HDM Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Lim Wai Leng (M09)*	388,850	0.09
30	Maybank Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Siew Kim Lim*	388,600	0.09
	TOTAL	**416,653,400**	**94.69**

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Indirect Interest	
Name	**No. of Shares**	**%^**	**No. of Shares**	**%^**
Sentoria Capital Sdn Bhd	272,778,000	62.00	–	–
Dato' Chan Kong San	–	–	272,778,000*	62.00
Dato' Gan Kim Leong	–	–	272,778,000*	62.00
State Secretary, Pahang	46,333,334	10.53	–	–
Lembaga Kemajuan Perusahaan Pertanian, Negeri Pahang	11,000,000	2.50	11,000,000#	2.50

Notes:-

* Deemed interested by virtue of their interest in Sentoria Capital Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

Deemed interested by virtue of its interest in LKPP Corporation Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

^ Based on the issued and paid-up capital of the Company excluding a total of 1,000 ordinary shares of RM0.20 each in the Company bought back by the Company and retained as treasury shares as at 7 February 2014.

DIRECTORS' SHAREHOLDINGS

	Direct Interest		Indirect Interest	
Name	**No. of Shares**	**%^**	**No. of Shares**	**%^**
Dato' Chan Kong San	–	–	272,778,000*	62.00
Dato' Gan Kim Leong	–	–	272,778,000*	62.00

Notes:-

* Deemed interested by virtue of their interest in Sentoria Capital Sdn Bhd pursuant to Section 6A of the Companies Act, 1965.

^ Based on the issued and paid-up capital of the Company excluding a total of 1,000 ordinary shares of RM0.20 each in the Company bought back by the Company and retained as treasury shares as at 7 February 2014.

Other than as disclosed above, none of the other Directors of the Company had any interest in shares in the Company or its related corporations as at 7 February 2014.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting of **SENTORIA GROUP BERHAD** ("the Company") will be held at Arabian Ballroom 3, Bukit Gambang M.I.C.E Centre, Arabian Bay Resort, Bukit Gambang Resort City, 26300 Gambang, Pahang Darul Makmur on Thursday, 27 March 2014 at 10.30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 September 2013 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Notes to the Agenda)**

2. To approve the payment of final single tier dividend of 1 sen per share for the financial year ended 30 September 2013. **Resolution 1**

3. To approve the payment of Directors' fees of RM384,000-00 for the financial year ended 30 September 2013. **Resolution 2**

4. To re-elect the following Directors who retire by rotation and being eligible, offer themselves for re-election in accordance with Article 86 of the Company's Articles of Association:-

   i. Encik Aznam Bin Mansor **Resolution 3**

   ii. Mr. Lee Chaing Huat **Resolution 4**

5. To re-appoint Messrs SJ Grant Thornton as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at such remuneration to be determined by the Directors of the Company. **Resolution 5**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolutions, with or without modifications:-

6. **Ordinary Resolution** **Resolution 6**
   Authority to Directors to issue shares

   "**THAT** subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, at their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company for the time being **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued."

7. **Ordinary Resolution** **Resolution 7**
   Proposed Renewal of Authority for the Company to purchase up to 10% of its own shares in the issued and paid-up share capital ("Proposed Renewal of Share Buy-Back Authority")

   "**THAT**, subject to the approval of the relevant authorities, approval be and is hereby given for the Company to acquire its own ordinary shares of RM0.20 each of up to 10% of its issued and paid up share capital ("SENTORIA Shares") from the market of Bursa Malaysia Securities Berhad ("Bursa Securities"), as may be determined by the Directors of the Company from time to time.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:

i the conclusion of the next Annual General Meeting at which time the authority will lapse, unless by an ordinary resolution passed at the next Annual General Meeting, the authority is renewed, either unconditionally or subject to conditions; or

ii the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or

iii revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date.

THAT the Directors of the Company be and are hereby authorised to take all such steps and do all acts and deeds and to execute, sign and deliver on behalf of the Company, all necessary documents to give full effect to and for the purpose of completing or implementing the Proposed Renewal of Share Buy-Back Authority.

AND THAT following completion of the purchase(s) of the SENTORIA Shares by the Company, the Directors be and are empowered to cancel or retain as treasury shares, any or all of the SENTORIA Shares so purchased, resell on Bursa Securities or distribute as dividends to the Company's shareholders or subsequently cancel, any or all of the treasury shares, with full power to assent to any condition, revaluation, modification, variation and/or amendment in any manner as may be required by any relevant authority or otherwise as they deem fit in the best interests of the Company."

8. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF FINAL SINGLE TIER DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT a final single tier dividend of 1 sen per share for the financial year ended 30 September 2013, if approved by shareholders at the Fifteenth Annual General Meeting, will be paid on 28 May 2014 to the depositors whose names appear in the Record of Depositors of the Company at the close of business on 8 May 2014.

A depositor shall qualify for entitlement to the dividend in respect of:-

(a) Shares transferred to the Depositor's Securities Account before 4:00 p.m. on 8 May 2014 in respect of the transfers; and

Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

DATUK TAN LEH KIAH
LIM CHIEN JOO
CHIN LEE CHYEN
Company Secretaries

Seri Kembangan, Selangor Darul Ehsan
Date: 5 March 2014

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes:

1. *In regard of deposited securities, only members whose names appear in the Record of Depositors as at **21 March 2014** ("General Meeting Record of Depositors") shall be eligible to attend and vote at the meeting.*
2. *A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any other person to be his proxy and the provisions of Section 149(1) of the Companies Act, 1965 shall not apply to the Company.*
3. *Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
4. *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under Securities Industry (Central Depositories) Act 1991 of Malaysia, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or an attorney duly authorised.*
6. *The Form of Proxy must be deposited with the Company's Registered Office at 56 & 58 (2nd Floor), Jalan Dagang SB 4/2, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.*

Explanatory Notes to the Agenda:-

Item 1 of the Agenda

This item of the Agenda is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

Item 6 of the Agenda – Ordinary Resolution 6

Authority to Directors to issue shares

The proposed Resolution 6, if passed, will give powers to the Directors to issue up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. The authority will, unless revoked or varied by the Company in a General Meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

The Company wishes to renew the mandate on the authority to issue shares in general pursuant to the Section 132D of the Companies Act, 1965 granted to the Directors at the Fourteenth Annual General Meeting held on 29 March 2013 (hereinafter referred to as the "General Mandate"). The previous mandate granted by the shareholders had not been utilised and hence no proceeds was raised therefrom.

The purpose to seek the General Mandate is to enable the Directors to issue and allot shares at any time for possible fund raising activities, including but not limited to private placement to such persons in their absolute discretion so as to avoid delay and cost of convening further general meeting to approve the issuance of such shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

Item 7 of the Agenda – Ordinary Resolution 7

Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 7, if passed, will empower the Directors to buy-back and/or hold up to a maximum of 10% of the Company's issued and paid-up share capital at any point of time, by utilizing the funds allocated which shall not exceed the total retained profits and/or share premium of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, or the expiration of period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

For further details of the Resolution 7, please refer to the Statement to Shareholders dated 5 March 2014, which is dispatched together with the Company's 2013 Annual Report.

SENTORIA GROUP BERHAD
(463344-K)
(Incorporated in Malaysia)

Number of ordinary shares held

FORM OF PROXY

I/We (full name in block capitals), ____

NRIC No./Co. No./CDS No. ______________________ of (full address) ______________________

____ being a Member/Members

of **SENTORIA GROUP BERHAD**, hereby appoint (full name in block capitals) ______________________

NRIC No. ______________________ of (full address) ______________________

____ or failing him / her

(full name in block capitals), ______________________ NRIC No. ______________________

of (full address) ____

______________________ as my/our proxy to vote for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held at Arabian Ballroom 3, Bukit Gambang M.I.C.E Centre, Arabian Bay Resort, Bukit Gambang Resort City, 26300 Gambang, Pahang Darul Makmur on Thursday, 27 March 2014 at 10.30 a.m. and at any adjournment thereof. My / Our proxy is to vote as indicated below:-

No.	Agenda			
1.	To receive the Audited Financial Statements for the financial year ended 30 September 2013 together with the Reports of the Directors and Auditors thereon.			
		Resolution	**For**	**Against**
2.	Final single tier dividend of 1 sen per share	1		
3.	To approve the payment of Directors' fees for the financial year ended 30 September 2013.	2		
4.	To re-elect Encik Aznam Bin Mansor as Director.	3		
5.	To re-elect Mr. Lee Chaing Huat as Director.	4		
6.	To re-appoint Messrs SJ Grant Thornton as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at such remuneration to be determined by the Directors of the Company.	5		
Special Business				
7.	**Ordinary Resolution:** To authorise the Directors to allot and issue shares.	6		
8.	**Ordinary Resolution:** To approve the Proposed Renewal of Share Buy-Back Authority.	7		

(Please indicate 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 from voting at his direction)

(Where two (2) proxies are appointed, please indicate below the proportion of your shareholdings to be represented by each proxy. In case of a vote taken by show of hands, the First Named Proxy shall vote on your behalf)

First named proxy %
Second named proxy %

%

Dated this ______________day of ______________________, 2014

____
Signature
(If shareholder is a corporation, this part should be executed under seal)

Fold This Flap For Sealing

Then Fold Here

Stamp

SENTORIA
Live Rewarded

SENTORIA GROUP BERHAD
(463344-K)

The Company Secretaries
56 & 58 (2nd Floor)
Jalan Dagang SB 4/2
Taman Sungai Besi Indah
43300 Seri Kembangan
Selangor Darul Ehsan

1st Fold Here

Notes :

1. *In regard of deposited securities, only members whose names appear in the Record of Depositors as at **21 March 2014** ("General Meeting Record of Depositors") shall be eligible to attend and vote at the meeting.*
2. *A member entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any other person to be his proxy and the provisions of Section 149(1) of the Companies Act, 1965 shall not apply to the Company.*
3. *Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
4. *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under Securities Industry (Central Depositories) Act 1991 of Malaysia, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or an attorney duly authorised.*
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SENTORIA

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Head Office :
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