Sentoria Group Berhad
(463344-K)

2015 ANNUAL REPORT

WHAT'S INSIDE

Corporate Information

BOARD OF DIRECTORS

Datuk 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
Senior Independent Non-Executive Director

Wong Yoke Nyen
Independent Non-Executive Director

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad
Independent Non-Executive Director
(Appointed on 1.10.2015)

AUDIT COMMITTEE

Wong Yoke Nyen *(Chairman)*
(Appointed as Chairman on 26.3.2015)
Lee Chaing Huat
Datuk Aznam Bin Mansor
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad
(Appointed on 17.11.2015)

NOMINATION COMMITTEE

Lee Chaing Huat *(Chairman)*
Datuk Aznam Bin Mansor
Wong Yoke Nyen
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad
(Appointed on 17.11.2015)

REMUNERATION COMMITTEE

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad *(Chairman)*
(Appointed as Chairman on 17.11.2015)
Lee Chaing Huat
(Resigned as Chairman on 17.11.2015)
Datuk Aznam Bin Mansor
Dato' Chan Kong San
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
Warrant Name : SNTORIA-WA
Warrant Code : 5213 WA

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 & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : 03 - 2783 9299
Fax : 03 - 2783 9222

EXTERNAL AUDITORS

SJ Grant Thornton *(AF: 0737)*
(Member Firm of Grant Thornton International Ltd.)
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 03 - 2692 4022
Fax : 03 - 2691 5229

INTERNAL AUDITORS

Boardroom Business Solution Sdn. Bhd.
(Company No.1050657-U)
1202, Level 12, Uptown 1
No. 1 Jalan SS 21/58
Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : 03 - 7661 8588
Fax : 03 - 7661 8577

PRINCIPAL BANKERS

RHB Bank Berhad
Malayan Banking Berhad
CIMB Bank Berhad
Public Islamic Bank Berhad

Corporate Structure

SENTORIA
Live Rewarded

Sentoria Group Berhad
(463344-K)

LEISURE & HOSPITALITY

- 100% **Sentoria Themeparks and Resorts Sdn. Bhd.** (747796-W)
  - 100% ***Blue Sky Leisure Sdn. Bhd.*** (954663-D)
  - 100% ***Star Wholesale Sdn. Bhd.*** (987844-P)
- 100% **Sentoria Morib Bay Sdn. Bhd.** (955328-A)
- 100% **Sentoria Vacation Club Berhad** (850929-U)
- 100% **Sentoria Borneo Samariang Sdn. Bhd.** (1044899-X)
- 100% **Sentoria Resorts Sdn. Bhd.** (682753-T)
- 100% **Ataria Leisure International Sdn. Bhd.** (1160030-V)

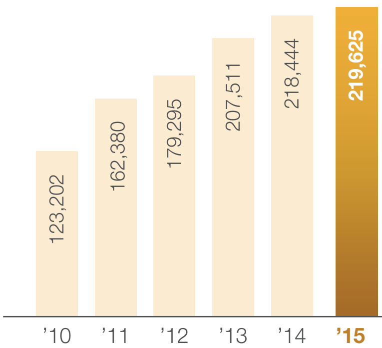
PROPERTY DEVELOPMENT

- 100% **Sentoria Properties Sdn. Bhd.** (477817-P)
- 100% **Sentoria Alam Sdn. Bhd.** (625769-P)
- 100% **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)
- 75% **Sentoria Langkawi Sdn. Bhd.** (1072940-A)
- 100% **Sentoria Projects Sdn. Bhd.** (955706-H)
- 75% **Sentoria Utara Sdn. Bhd.** (1114233-A)

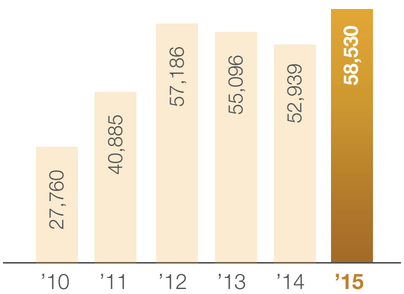
Financial Highlights

	FY2010 RM'000	FY2011 RM'000	FY2012 RM'000	FY2013 RM'000	FY2014 RM'000	FY2015 RM'000
Revenue	123,202	162,380	179,295	207,511	218,444	**219,625**
Ebitda	27,760	40,885	57,186	55,096	52,939	**58,530**
Profit before taxation	22,558	34,437	49,448	43,810	35,466	**37,123**
Profit after taxation	19,260	38,579	47,842	53,099	28,991	**32,115**
Shareholders' equity	69,683	108,193	199,374	248,266	324,675	**376,270**
Total assets	171,693	228,692	322,214	456,313	659,238	**691,264**
Earning per share (sen)			12.67	12.07	6.62	**6.98**
Net dividend per share (sen)			2.00	2.00	2.00	**2.00**

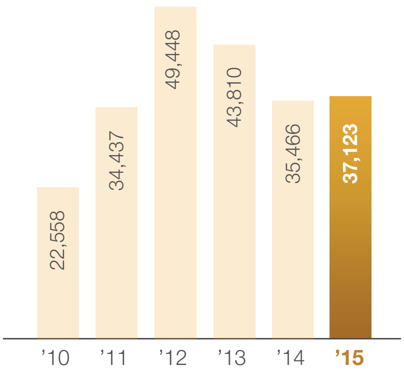
REVENUE
(RM'000)



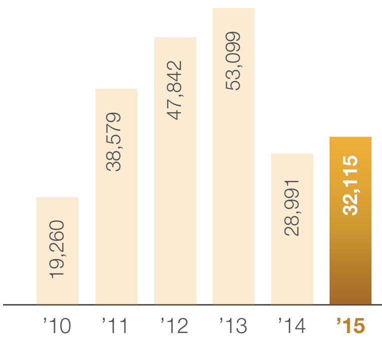
EBITDA
(RM'000)



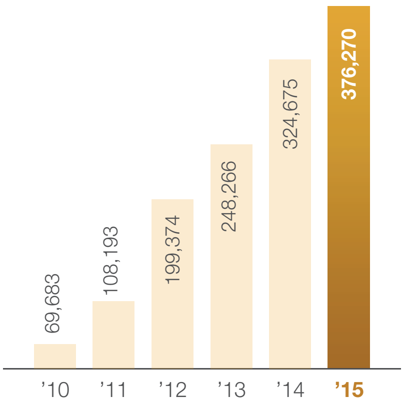
PROFIT BEFORE TAXATION
(RM'000)



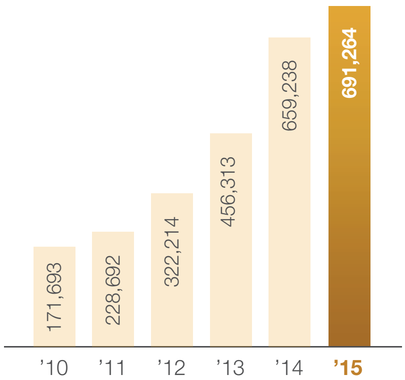
PROFIT AFTER TAXATION
(RM'000)



SHAREHOLDERS' EQUITY
(RM'000)



TOTAL ASSETS
(RM'000)



Chairman's Statement

Dear Shareholders,

ON BEHALF OF THE BOARD OF DIRECTORS, I AM PLEASED TO PRESENT THE ANNUAL REPORT AND FINANCIAL STATEMENTS OF SENTORIA GROUP BERHAD (SENTORIA) FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2015 (FY2015).

Chairman's Statement

FINANCIAL RESULTS

FY2015 was a challenging year for the Group. The Leisure and Hospitality Division faced a very challenging situation when the East Coast of Peninsular Malaysia suffered one of the most severe floods in the country's history in December 2014. The floods occurring at the end of the year, which traditionally was a high season for visitors to leisure and hospitality facilities at Bukit Gambang Resort City, had impacted the number of visitors to the resort city. This together with unexpected delays in obtaining the necessary approvals for development projects in Morib and Kuching had resulted in the Group's dependence on existing projects in Kuantan for its revenue.

Despite the above challenges, revenue for the financial year ended 30 September 2015 increased to RM219.6 million as compared to RM218.4 million in the previous year as a result of higher billings. The Group's profit before taxation increased 4.7% to RM37.1 million as compared to RM35.5 million in the previous year. This was partly due to gain from recognition of land owner's entitlement of 12 completed units in Global Heritage as well as measures taken to further improve the efficiency and operating costs of our Leisure and Hospitality Division. The Group's Profit after Tax for the FY2015 improved by 10.8% to RM32.1 million as compared to RM29.0 million in the previous year.

The Property Development Division continued to be the main contributor towards Sentoria's financial results, contributing 74.9% or RM164.5 million of the Group's total revenue. This was an increase of 2.4% from the previous financial year. The Leisure and Hospitality Division contributed the balance of 25.1% of revenue or RM55.1 million, a reduction of 4.7% or RM2.7 million from the previous financial year attributed mainly to the floods in December 2014.

Group's earnings before interest, tax, depreciation and amortization (EBITDA) improved by 10.6% to RM58.5 million from RM52.9 million in the previous year. Resulting from the measures implemented to rationalise costs and improve productivity, the Leisure and Hospitality Division despite incurring a pretax loss, recorded a marked 102% improvement in EBITDA from RM2.8 million in FY2014 to RM5.7 million in FY2015.

During the FY2015, several shareholders that had converted their warrants, thereby increasing the number of shares issued to 484.1 million shares from 440.0 million shares in previous financial year. Notwithstanding a larger share base, profit per share attributable to the owners of the Company improved to 6.98 sen from 6.62 sen in FY2014.

The Group's balance sheet remained strong with shareholders' equity at RM376.3 million as at 30 September 2015. Net assets per share improved to 78 sen from 74 sen. The Group's net gearing also improved to 0.35 times in FY2015 as compared to 0.39 times in FY2014 as a result of higher shareholders' equity.

FUTURE PROSPECTS

Property Development Division

Going forward the Group will continue to focus on its core competency in building affordable homes. I am pleased to inform that approvals for our Kuching and Morib projects have been obtained or are in the final stages of approval which should enable the projects to be launched in FY2016.

Our first property development project in Kuching under Borneo Samariang Resort City (BSRC), the Ataria Service Apartments, was launched in September 2015 with a gross development value (GDV) of RM98 million. Response to the apartments has been good to date. The first phase of landed residential property in BSRC consisting of 265 units single- storey terraced houses and 72 units single-storey semi-detached house with a total GDV of RM77 million is expected to be launched by second quarter FY2016.

Chairman's Statement

FY2016 will also see the launch of another of the Group's property development project known as Global Heritage Riviera in Morib under Morib Bay Resort City. This project comprises 156 units of double-storey twin villas has a GDV of about RM100 million.

Both the BSRC and MBRC projects are expected to contribute positively to the Group's revenue in FY2016.

Not neglecting our strong traditional market in Kuantan, the Group will continue to launch affordable housing projects there as well. Some of the residential projects in the pipeline include those in Taman Bukit Gambang, Taman Bukit Rangin as well as shops in Taman Bukit Gambang.

As at 30 September 2015, the Group's Property Development Division has RM101.4 million of unbilled sales. This together with the new property development launches in Kuching, Morib and Kuantan are expected to improve the Property Development Division's contribution to the Group's financial results in FY2016.

Leisure and Hospitality Division

After Bukit Gambang Resort City, the Group has embarked on its second resort city BSRC. Work has commenced on the construction on the second water themed park which is expected to begin commercial operations by end of 2017.

As contribution for the Leisure and Hospitality Division for the FY2016 is expected to be generated from BGRC alone, management will continue diligently with measures to improve efficiency and rationalise costs. These, together with continuous marketing and advertising activities are geared towards generating better results for the Division.

DIVIDEND

For the financial year ended 30 September 2015, Sentoria has declared an interim single tier dividend of 1 sen per ordinary share of RM0.20 each.

The Board has proposed a final single tier dividend of 1 sen per share for shareholders' approval at the forthcoming Seventeenth Annual General Meeting.

If approved, based on existing number of paid up shares, the Group's total dividend payout for FY2015 would amount to RM9.68 million, representing 30.1% of Group's net profit for the financial year.

CORPORATE GOVERNANCE

The Board endeavors to comply with best practices under the Malaysian Code of 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.

CORPORATE SOCIAL RESPONSIBILITY

The Group subscribes to the safety, health and environment regulations. Efforts have been made to conserve energy via the strict monitoring of the use of air-conditions and lights at the office and resort.

Training programs for skill development and improvement have been regularly conducted for the employees. This would ensure the employees can execute their roles and responsibilities more efficiently as well as for their career development.

In giving back to the community, Sentoria has always believed in giving back to the society especially the less fortunate ones. The Group's contributions are being done through direct financial supports and gifts in kind. Hosting of orphanages during the breaking of fast in Ramadhan in BGRC has been a regular affair for the Group.

Assisting aspiring students via scholarships and on-the job training have been one of the CSR activities of the Group. These would enable the students to gain knowledge, skills and practical experience in preparing themselves for the real working environment later on.

Chairman's Statement

APPRECIATION

First and foremost, on behalf of our fellow Directors, I wish to convey our heartfelt appreciations to all Sentorians, for their dedication, loyalty and hard work in making FY2015 another successful year for the Group.

In addition, on behalf of the Board, I would also like to thank Mr. Chung Wai Choong, our Senior Independent Non-Executive Director, who opted to step down from the Board to concentrate on his other responsibilities elsewhere. His invaluable contribution during his tenor as Board member is much appreciated. I would like to wish him all the best in his future endeavors.

At the same time, as Chairman of the Board, I would also like to extend our warmest welcome to our new Independent Non-Executive Director, Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad. With his vast experience as the Pahang State Secretary (2004 – 2006) as well as the State's Financial Officer (2002 – 2004), I believe that Dato' Hj Abdul Rahman would be able to contribute further to the improvement of the Group's performance going forward. In addition to being one of the Board members, Dato' Abdul Rahman will also be a member of Nomination Committee, Audit Committee, as well as a member and Chairman of the Remuneration Committee. I look forward to working with such an esteemed and experienced individual.

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

Thank you.

DATUK AZNAM BIN MANSOR
Chairman

Management Review

The Management of Sentoria Group Berhad (SGB) is pleased to present a review of the Group's performance for the Financial Year ended 30 September 2015 (FY2015).

Poised For Sustainable Growth

For FY 2015, SGB continued its primary focus to grow and strengthen its existing core businesses in property development and leisure and hospitality.

In January 2015, the Group, through its subsidiary, entered into a sales and purchase agreement to acquire 3 contiguous parcels of land in Sungai Petani. The land measuring approximately 304.6 acres would be for a residential and commercial mixed development, with focus on the development of affordable housing.

With this acquisition, the Group has some 1,700 acres of land bank in four key regions, in the East Coast in Pahang, Central in Selangor, Northern in Kedah and East Malaysia in Sarawak. The land bank with a total Gross Development Value (GDV) of RM9.8 billion will keep the Group busy over the next 10 years. The lands, which have been acquired at reasonable cost, provide the Group with a strong foundation for sustainable growth.

Review of Operations

1. Property Development

1.1 Kuantan, Pahang

Apart from its ongoing projects in Taman Bukit Rangin 2, Global Heritage, Salak Tinggi, Taman Bukit Gambang Phase1 and Prima, the Group launched 2 new property development projects namely East Coast Bazaar and Taman Bukit Gambang Phase 2 in FY 2015. These 2 projects have a combined GDV of RM80.2 Million.

a. Taman Bukit Rangin 2

The second phase of the project with a total of 1,321 units of single-storey terrace houses, semi-detached houses and shops had been completed and handed over to the buyers in FY 2015.

b. Global Herritage

The first phase of this themed villa project with 126 units, comprises San Francisco, Amsterdam and Venice. San Francisco and Amsterdam were fully sold and completed in FY 2015. Venice, with a balance of 11 units retained for resort operations, is expected to be completed by 1st half of FY 2016.

c. Taman Salak Maju

This first housing project in Selangor comprising 31 units of double-storey semi-detached houses and bungalow have been completed and fully sold.

d. Taman Bukit Gambang Phase1

This project, which is located across Bukit Gambang Resort City is progressing on schedule. As at 30 September 99% of the units were sold and construction was 78% completed.

e. Pembangunan Perumahan Rakyat 1 Malaysia (PRIMA) project

The Project consists of 612 units of single-storey semi-detached houses, 1 single storey of bungalow and 16 units of single- storey shops. The contract with a value of RM80 million was awarded on 23 June 2014. Construction commenced on 1 July 2014 with the contract completion date on 31 December 2016. The project is progressing well and on schedule with an average completion of 75% as at 30 September 2015.

f. East Coast Bazaar

This project is new shopping concept of a wholesale market with street retail space located within Bukit Gambang Resort City. Phase 1 consists of 90 units of single and double-storey shops with a GDV of RM40.9 million. The street retail space concept is expected to elevate shopping experience by providing shoppers a convenient and conducive environment to shop under one roof.

As at 30 September, the take up rate was 21% of units launched with construction at 30% completion.

g. Taman Bukit Gambang Phase 2

Sales of more than 28% of the first 112 semi-detached houses were achieved in the weeks after obtaining the required approvals. This project is located across Bukit Gambang Resort City.

1.2 Samariang, Kuching

a. Ataria Service Apartments

Borneo Samariang Resort City launched its first development comprising 428 units of service apartments known as Ataria Service Apartments in early September 2015. Sales for this maiden launch had been very encouraging with 50.6% of units taken up as at 30 September 2015.

2. Leisure and Hospitality – Bukit Gambang Resort City (BGRC)

BGRC is an integrated resort city on 727 acres located in Gambang, Pahang. It was developed with the concept of “One Location Multiple Attractions” as the resort city offers various accommodations with integrated facilities perfect for leisure, business convention or retreat.

Apart from being the home to the largest water theme park in the East Coast of Peninsular Malaysia, BGRC is the proud recipient of the “Best Water Park in Malaysia” awarded by Malaysian Association of Amusement Themepark and Family Attractions (MAATFA) and the “Largest Pillarless Ballroom” in the country as certified by the Malaysia Book of Records.

Just into its second year of operations, we are pleased to inform that Bukit Gambang Safari Park (BGSP) has been awarded the “Best Safari Park” by Baby Talk Magazine Readers’ Choice.

BGSP was opened in phases in FY2014, featuring over 3,000 animals from 300 different species. It aims to provide its visitors exciting and close encounter with exotic animals from around the world. Set within a natural environment. BGSP has various attractions which include Wild Savannah where animals roam freely, an aviary, two arenas for various shows and family entertainments and Night Jungle, where a variety of nocturnal animals are on display. It is the largest zoo safari in Malaysia covering a total area 138 acres.

Management Review

For FY 2015, BGRC remained as the only major revenue generator for the Leisure and Hospitality segment of the Group. Despite the East Coast being severely affected by floods at end 2014 which impacted the number of visitors to BGRC during the traditional high season, the pretax loss for FY 2015 from the Leisure and Hospitality segment had reduced by 36 % to RM3.4 million as compared to a loss of RM5.4 million in FY 2014. This was a result of on-going cost rationalisation efforts. Going forward, on completion of the leisure and hospitality facilities in the second and third resort cities at Samariang and Morib, we expect contribution from the Leisure and Hospitality segment to be substantially enhanced.

Looking Ahead

1. Samariang, Kuching – Borneo Samariang Resort City (BSRC)

The 500 acres of land at Samariang will be developed by the Group into a second resort city known as BSRC. With a GDV of RM 2 billion, BSRC will consist of a water theme park, a safari park, hotel and MICE facilities as well as housing and commercial development.

Phase 1 of the development with a GDV of approximately RM500 mil, will be launched progressively over the next three years.

In FY 2015, State Planning Approval had been obtained for BSRC's overall development. The Ataria Service Apartments with a GDV of RM98 million were launched in September 2015 and achieved sales of RM50 million for FY 2015.

Under Phase 1 of BSRC, 265 units of single- storey terrace houses, 202 units of semi-detached houses and 39 units of bungalows with a GDV of RM206 million are expected to be launched in FY 2016.

Site clearing, earthworks and piling of the Ataria Service Apartments, convention centre and water theme park are progressing well currently.

2. Morib, Selangor – Morib Bay Resort City (MBRC)

Spanning 354 acres, MBRC is the third resort city to be developed by the Group. It is strategically located within 50 km from Port Klang, Putrajaya, Cyberjaya and KLIA.

MBRC has two development components consisting of leisure and hospitality development on 150 acres and a mixed property development on 204 acres. Total GDV is expected at RM3.5 billion. The leisure and hospitality development comprises hotel, water theme park, safari park and a convention centre.

Building plan approvals have been obtained for the development of water theme park and semi-detached houses. The first to be launched under property development component and known as Riveria Twin Villa, consists of 156 units of semi-detached houses with an approximate GDV of RM100 million. It willl be launched in early 2016.

3. Langkawi, Kedah – Sentoria Langkawi Resort City and Sentoria Langkawi Wellness Park

In September 2014, the Group signed 2 Lease Agreements to lease a total of 120 acres of land for a period of 90 years from Langkawi Development Authority.

Sentoria Langkawi Resort City will be developed on 70 acres of land located next to the Langkawi International Airport. This intended development comprises a street mall, service apartments, water theme park, 2 hotels, convention centre and a retail mall.

Langkawi Wellness Park is on 50 acres of land located next to the Langkawi General Hospital. The intended development comprises medical training centre, medical tourism centre and housing quarters and mixed development.

Apart from Sentoria Langkawi Resort City & Sentoria Langkawi Wellness Park, the Group received permission in April 2015 from the Forestry Department of Kedah to develop a Nature Park within Forest Reserve Kisap, Langkawi.

The development of the Nature Park is in progress and scheduled for completion end 2016.

DATUK AZNAM BIN MANSOR
Chairman/Independent Non-Executive Director

Malaysian, aged 57

Datuk 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 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 all of the six (6) Board meetings held during the financial year ended 30 September 2015.

DATO' CHAN KONG SAN
Joint Managing Director

Malaysian, aged 54

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 Malaysia 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 five (5) out of six (6) Board meetings held during the financial year ended 30 September 2015.

Board of Directors' Profile

DATO' GAN KIM LEONG
Joint Managing Director

Malaysian, aged 54

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, 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 five (5) out of six (6) Board meetings held during the financial year ended 30 September 2015.

MR LEE CHAING HUAT
Senior Independent Non-Executive Director

Malaysian, aged 62

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 Nomination Committee and also a member of the Audit and Remuneration Committees of the Company. He was appointed as Senior Independent Non-Executive Director on 26 January 2016.

He is a fellow member of the ACCA, UK and a member of 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, MBF Holdings Berhad and Goldis 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 five (5) out of six (6) Board meetings held during the financial year ended 30 September 2015.

Board of Directors' Profile

MR WONG YOKE NYEN
Independent Non-Executive Director

Malaysian, aged 57

Mr Wong Yoke Nyen, was appointed to the Board as an Independent Non-Executive Director of the Company on 8 October 2012. He was appointed as member of the Audit Committee on 21 January 2013 and be appointed as Chairman of Audit Committee on 26 March 2015. He was appointed as member of Remuneration and Nomination Committees 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 corporate advisory services.

He is currently the Managing Director of WYNCORP Advisory 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 six (6) Board meetings held during the financial year ended 30 September 2015.

DATO' HJ. ABDUL RAHMAN BIN HJ. IMAM ARSHAD
Independent Non-Executive Director

Malaysian, aged 65

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad, was appointed to the Board as an Independent Non-Executive Director of the Company on 1 October 2015. He was appointed as Chairman of Remuneration Committee and also members of Audit and Nomination Committees on 17 November 2015.

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad graduated with a Bachelor of Arts (Social Sciences) from University of Malaya, Kuala Lumpur in year 1973. He obtained a Master of Public Administration (MPA) from University of Malaya, Kuala Lumpur in year 1989.

He started his career as Assistant Secretary, Finance Division, Ministry of Education. He joined the Ministry of Health from 1978 to 1986. He was the Senior Administrator in Institute for Medical Research and General Hospital, Kuala Lumpur and then promoted as the Principal Assistant Secretary, Procurement Division of Ministry of Health in year 1983. He was later posted to Development Division Ministry of works in year 1986 to 1988.

In 1990, he has been appointed as Director of Road Transport Department (JPJ), State of Perak. Later in 1995, he was posted as the Director of Johor State Development Officer, PM's Department, Johor Bahru. In year 2000, he was transferred to the State of Pahang as the Director of Economic Planning Unit, SUK Pahang. Later in 2002, he become the Hon. State Financial Officer of Pahang and in the year 2004 he was promoted as the Hon. State Secretary of Pahang until the year 2006.

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 and Warrant Holdings***

   The details of the Directors' interest in the securities of the Company are set out on page 117 and 120 respectively 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 as an integral part of their business dealings and culture. The Board acknowledges and fully supports the importance of corporate governance in directing and managing the businesses and affairs of the Group, and 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 2015.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

a. 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, mix of experience and expertise in area relevant to enhance the growth of Group's 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.

The roles of the Chairman and Joint Managing Directors are strictly separated to ensure balance of power and authority and to maintain effective supervision and accountability of the Board and management. 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.

b. Board Charter

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 Group's website at www.sentoria.com.my.

The Board's principal responsibilities, amongst others, are as follows:

- Reviewing and adopting a strategic plan for the Group;
- Overseeing the conduct of the Group's business and to build sustainable value for shareholders;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- Succession planning;
- Overseeing the development and implementation of a shareholder communications policy for the Group; and
- Reviewing the adequacy and the integrity of the management information and internal controls system of the Group including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

b. Board Charter (Cont'd)

The roles and responsibilities of the Board and Management are clearly defined. The following matters (including any changes thereof) require approval from the Board, except where they are expressly delegated by the Board to a Committee, the Chairman, Joint Managing Directors ("JMDs") or a nominated member of Management:

- corporate/strategic directions/plans and programmes;
- annual operating and capital expenditure budgets;
- new ventures of business;
- acquisitions and disposals of material undertakings and properties or any significant expenditure which exceeds the authority limits delegated to the JMDs;
- changes to the management and control structure within the Group, including key policies and delegated authority limits;
- appointment of all other Board members, Board Committee members, JMDs and the Company Secretary;
- any matters in excess of any discretions that it may have delegated from time to time to the JMDs and Management; and
- any matters and/or transactions that fall within the ambit of the Board pursuant to the Companies Act, 1965, MMLR, the Company's Memorandum and Articles of Association, the Terms of Reference of the respective Board Committees or any other applicable regulatory rules and regulations.

c. Access to Information and Advice

The Board meets at least four times a year, with additional meetings convened on an ad-hoc basis as and when the Board's approval and guidance are required. Upon consultation with the Chairman and the JMDs, due notice shall be given on the proposed dates of meetings during the financial year and standard agenda and matters to be tabled to the Board. The agenda and Board papers for each Board meeting are circulated to all Directors in advance prior to each meeting to enable Directors to peruse the matters to be deliberated upon.

The Board papers include, among others, the following documents or information:

- Reports of meetings of all committees of the Board including matters requiring the full Board's deliberation and approval;
- Performance reports of the Group, which include information on financial, strategic business issues and updates;
- Major operational, financial, legal, regulatory and corporate issues; and
- Board papers for other matters for discussion/approval.

Management are also invited to join Board meetings to provide explanation or engage in dialogue with Board members as may be required. All deliberations, discussions and decisions of the Board meetings were minuted and recorded accordingly.

All Directors have unrestricted access to the Senior Management and the service and advice of the Company Secretaries and Internal Auditors. The Directors may also seek independent professional advice if necessary, at the Group's expense to enable them to discharge their duties and responsibilities.

The Company Secretaries are members of The Malaysian Institute of Chartered Secretaries and Administrators and they carry out, among others, the following tasks:

- Compliance with the Companies Act 1965 and MMLR;
- Attending Board and Board Committee meetings and ensuring that these meetings are properly convened and proceedings are properly recorded;
- Ensuring timely communication of Board level decisions to Management;
- Ensuring that all appointments to the Board and Committees are properly made;
- Maintaining records for the purposes of meeting statutory obligations;
- Facilitating the provision of information as may be requested by the Directors from time to time; and
- Supporting the Board in ensuring adherence to Board policies and procedures.

PRINCIPLE 1: ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (Cont'd)

c. Access to Information and Advice (Cont'd)

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 Group's activities, both financial and operational.

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 risks associated with the Group's operations.

d. Whistle-blowing and Code of Conduct and Ethics

The Board recognises the importance of whistle-blowing and is committed to maintaining the highest standards of ethical conduct within the Group. In line with this commitment, the Board has formalised a whistle-blowing policy and code of conduct and ethics for the Group. Further details on the code of conduct and ethics are set out in the Board Charter.

As prescribed in the whistle-Blowing policy, the Board and the Management give their assurance that employees' and third parties' identities are kept confidential and that whistle-blowers will not be at risk to any form of victimisation or retaliation from their superiors or any member of the Management provided that they act in good faith in their reporting. All concerns raised will be investigated and the whistle blower can report directly to the Audit Committee Chairman.

e. Sustainability

Sustainability efforts and initiatives are embedded in the day-to-day operational activities or are organized via special programs for specific sustainability cause. By achieving a satisfactory balance on bottom-line growth, welfare safeguard of people and community within a harmonious state of the environment, such efforts are intended to benefit the shareholders, investors, operating environment, society, employees, customers, business partners, contractors, suppliers and other stakeholders.

The Group is mindful of the importance of business sustainability in developing the business operations and corporate strategy of the 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 page 32 to 37 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*
(Senior Independent Non-Executive Director)

Datuk Aznam bin Mansor
(Independent Non-Executive Director)

Wong Yoke Nyen
(Independent Non-Executive Director)

Chung Wai Choong *(Retired on 26 March 2015)*
(Senior Independent Non-Executive Director)

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad
(Appointed on 17 November 2015)
(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, gender and age diversity, experience and other qualities of the Directors and to recommend new appointments, if any, to the Board.

The Board is conscious of meeting the Corporate Governance Blueprint 2011 issued by the Securities Commission on increasing women participation on Boards to reach 30% by 2016. However, the Board believes that given the current state of the Group's development, it is more important to have the right mix of skills at the Board rather than attaining the percentage concerned. Although there is no women representation in the Board, the Group is committed to provide fair and equal opportunities and nurturing diversity at all levels within the Group and this policy is evident by the fact that the Chief Financial Officer and the Company Secretaries are women.

All persons, regardless of age, gender, ethnicity, cultural background or other personal factors, with appropriate experience and qualifications will be considered equally during recruitment, promotion, remuneration and training. The Group is also committed to workplace diversity ensuring that we value and respect our differences and that our workplace is fair, accessible, flexible and inclusive and free from discrimination.

The Nomination Committee also assesses the effectiveness of the Board as a whole, all committees of the Board and the contribution of each individual Director. The Director who is subject to re-election and/or re-appointment at the Annual General Meeting are assessed by the Nomination Committee before a recommendation is made to the Board and shareholders for his/her re-election and/or re-appointment. Candidates who fulfilled the requirements prescribed under the relevant laws and regulations may be proposed by the Joint Managing Directors or any Director to the Nomination Committee for appointment as Director. In assessing the suitability of any candidate for directorship, the Nomination Committee will take into consideration the candidate's skills, knowledge, expertise, competence and experience, time commitment, character, professionalism and integrity.

Mr Chung Wai Choong who was the Senior Independent Non-Executive Director retired on 26 March 2015. To fill the vacancy consequent to Mr Chung's retirement, the Nomination Committee recommended the appointment of Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad as an Independent Non-Executive Director to the Board on 1 October 2015. On 17 November 2015, the Nomination Committee further recommended the appointment of Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad to the Audit Committee and as Chairman of Remuneration Committee (in place of Mr Lee Chaing Huat).

On 26 January 2016, Mr. Lee Chaing Huat was appointed as Senior Independent Non-Executive Director.

PRINCIPLE 2: STRENGTHEN COMPOSITION (Cont'd)

2. The Nomination Committee (Cont'd)

In addition, during the year, the Nomination Committee has assessed the overall effectiveness of the Board, the Board Committees and individual Directors' contribution and performance. Based on the assessment undertaken for the financial year, the Nomination Committee (save for the members who abstained from deliberations on their own re-election/reappointment) recommended to the Board that the following directors be proposed for re-election at the Seventeenth Annual General Meeting of the Company ("AGM"):

- Dato' Gan Kim Leong and Mr. Wong Yoke Nyen, who are due to retire pursuant to Article 86 of the Articles of Association
- Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad who are due to retire pursuant to Article 93 of the Articles of Association

The Board (save for the members who had abstained from deliberations on their own re-election/re-appointment) supported the Nomination Committee's recommendations.

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, the Nomination Committee held one meeting and details of the meeting attendance of its members in office then were as follows:

Name	Attendance
Lee Chaing Huat - Chairman	1/1
Datuk Aznam bin Mansor	1/1
Wong Yoke Nyen	1/1
Chung Wai Choong *(Retired on 26 March 2015)*	1/1

The Nomination Committee is satisfied with the contribution and performance of each individual Director. All the Independent Directors complies with the criteria of Independence based on the MMLR.

3. The Remuneration Committee

The Remuneration Committee comprises four (4) Independent Non-Executive Directors and a Joint Managing Director and its members are as follows:

Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad - *(Chairman)*
(Independent Non-Executive Director)
(Appointed as Chairman on 17 November 2015)

Lee Chaing Huat
(Senior Independent Non-Executive Director)
(Resigned as Chairman on 17 November 2015)

Datuk Aznam Bin Mansor
(Independent Non-Executive Director)

Dato' Chan Kong San
(Joint Managing Director)

Wong Yoke Nyen
(Independent Non-Executive Director)

PRINCIPLE 2: STRENGTHEN COMPOSITION (Cont'd)

3. The Remuneration Committee (Cont'd)

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 Group 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 Remuneration Committee's recommended remuneration for Directors and subject to Board's approval as it is the ultimate responsibility of the Board to approve the remuneration of the Directors.

In relation to the fees for Directors, it will be presented at the Annual General Meeting ("AGM") for shareholders' approval. All Non-Executive Directors receive an annual fee upon shareholders' approval at the AGM. Apart from this fee, the Non-Executive Directors are also paid an attendance allowance to defray their travelling and other incidental costs for attending Board or Board Committees Meetings.

Individual Directors do not participate in decisions regarding their own remuneration package. The Remuneration Committee is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors.

During the financial year under review, the Remuneration Committee held one meeting and the details of the meeting attendance of its members in office then were as follows:

Name	Attendance
Lee Chaing Huat *(Resigned as Chairman on 17 November 2015)*	1/1
Datuk Aznam bin Mansor	1/1
Dato' Chan Kong San	0/1
Wong Yoke Nyen	1/1

The 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	-	3,225,600	806,400	483,840	26,650	4,542,490
Non-Executive Directors	336,000	-	-	56,000	-	392,000
Total	**336,000**	**3,225,600**	**806,400**	**539,840**	**26,650**	**4,934,490**

PRINCIPLE 2: STRENGTHEN COMPOSITION (Cont'd)

3. The Remuneration Committee (Cont'd)

	No. of Directors	
Range of Remuneration	**Executive**	**Non-Executive**
Up to RM50,000	-	-
RM50,001 – RM100,000	-	1
RM100,001 - RM150,000	-	3
RM150,000 – RM1,000,000	-	-
More than RM1,000,000	2	-

The details of the remuneration for the Directors for the financial year ended 30 September 2015 are disclosed in Notes 26 and 29 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, Dato' Gan Kim Leong and Mr Wong Yoke Nyen will be standing for re-election pursuant to Article 86 of the Company's Articles of Association.

Any new or additional director appointed by the Board during the year shall hold office until the next annual general meeting and shall then be eligible for re-election. Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad who was appointed on 1 October 2015 will be standing for re-election pursuant to Article 93 of the Company's Articles of Association.

The profiles of the above Directors are set out in the Directors' Profile on page 13 to 15 of the Annual Report.

The Board recognises the importance of independence and objectivity in the decision making process. Each of the Independent Non-Executive Directors has declared his personal independence to the Board based on the criteria as set out in the MMLR. These criteria, amongst others, include confirming that the director:

(1) is not an executive director of the listed issuer or any related corporation of the listed issuer;
(2) has not been within the last 2 years and is not an officer of the said corporation;
(3) is not a major shareholder of the said corporation;
(4) is not a family member of any executive director, officer or major shareholder of the said corporation;
(5) is not acting as a nominee or representative of any executive director or major shareholder of the said corporation;
(6) has not be engaged as an adviser by the said corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director (except as an independent director) or a major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said corporation under such circumstances as prescribed by the Exchange;
(7) has not engaged in any transaction (including transaction of assets and services, joint ventures, financial assistance, etc.) with the said corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director or a major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the listed issuer) which has been engaged in any transaction with the said corporation under such circumstances as prescribed by the Exchange;
(8) has no immediate family member who is an executive officer (i.e. any executive director, officer or major shareholder) of the said corporation;

PRINCIPLE 3: REINFORCE INDEPENDENCE (Cont'd)

(9) has no immediate family member meeting any of the criteria set forth in point (3)-(8) above except with respect to item (6) in which case an immediate family member may be an employee (not a partner) of the independent auditor so long as such family member does not personally work on the said corporation; and
(10) has no material relationship (as determined by the said corporation) with the said corporation, either directly or as a partner, shareholder, director or officer of an organisation that has a material relationship with the said corporation.

During the year, the Board has assessed and concluded that all the Independent Non-Executive Directors remain objective and independent.

As recommended by the Code, the tenure of Directorship should also form part of the assessment criteria for independence of a Director. 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 prior to accepting any additional appointment of directorships in other public listed companies. The notification shall include an indication of time commitment required under the new appointment as recommended by the Code.

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/Board Committees, 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.

A total of six (6) Board meetings were held during the financial year ended 30 September 2015 and the summary of attendance by the Directors at these meetings was as follows:

Name	Designation	Number of meetings attended
Datuk Aznam bin Mansor	*Independent Non-Executive Chairman*	6 / 6
Dato' Chan Kong San	*Joint Managing Director*	5 / 6
Dato' Gan Kim Leong	*Joint Managing Director*	5 / 6
Lee Chaing Huat	*Senior Independent Non-Executive Director*	5 / 6
Chung Wai Choong *(Retired on 26 March 2015)*	*Senior Independent Non-Executive Director*	4 / 4
Wong Yoke Nyen	*Independent Non-Executive Director*	6 / 6

A newly appointed Director must attend and successfully complete the Mandatory Accreditation Programme as specified by Bursa Securities. Orientation that include visits to the Group's business operations and meetings with key management, where appropriate, are organised for newly-appointed Directors to facilitate their understanding of the Group's operations and businesses.

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.

PRINCIPLE 4: FOSTER COMMITMENT (Cont'd)

The training programmes, seminars and/or conferences attended by the Directors during the financial year ended 30 September 2015 were as follows:

Directors	Training Programmes
Datuk Aznam Bin Mansor	• Great Companies Deserve Great Boards And Great Boards Leading The Way For Highly Innovative Companies • Board Chairman Series: The Role of the Chairman • Family Business Management: Transgenerational Entrepreneurship • Revisiting Islamic Philanthropy for Sustainable Opportunities Finance • Common Breached Of The Listing Requirements With Case Studies
Dato' Chan Kong San	• Elements in Risk Management Framework and Case Study • Roles & Responsibilities of Process Owners
Dato' Gan Kim Leong	• Elements in Risk Management Framework and Case Study • Roles & Responsibilities of Process Owners
Lee Chaing Huat	• Financial Evaluation • Credit Management Workshop • Loan Structuring • Relationship Management • Credit Writing • Corporate Business Sourcing • Credit Application Report Writing • Distressed Loans and Structuring • Credit Evaluation Program • Corporate Banking Relationships • Risks Analysis • SME Credit Development • Financial Crime & Financial Fraud
Wong Yoke Nyen	• Audit Oversight Board Conversation With Audit Committees • Technical Analysis Series: Bridging The Gap Between Fundamental Analysis and Technical Analysis • Get Ready For Next Global Financial Crisis • Common Breaches Of The Listing Requirements With Case Studies
Chung Wai Choong	• International Transfer Pricing Forum • Risk Management & Internal Control – Workshop for Audit Committee Members

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.

PRINCIPLE 5: UPHOLD INTEGRITY IN FINANCIAL REPORTING BY THE COMPANY (Cont'd)

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 Audit Committee, under its terms of reference, is tasked to assist the Board in making sure that the financial statements are prepared in accordance with the approved and applicable Malaysian Financial Reporting Standards and are in accordance with the provisions of 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 2015, 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 2015, the external auditors have met once with the Audit Committee without the presence of the Executive Management instead of twice due to no other matters that required to bring to the private session for discussion.

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 works 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 Risk Management and Internal Control functions are stated in the Statement on Risk Management and Internal Control on page 29 to 30 of this Annual Report.

PRINCIPLE 7: ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Group recognises the importance of timely dissemination of relevant corporate and other information to and in dealing with shareholders, stakeholders, regulators and investing public. Although the Board does not have a formalised Corporate Disclosure Policy, the Group complies strictly with the disclosure requirements of all applicable securities law and regulatory 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.

The disclosures made by the Group to Bursa Securities, shareholders, investors and media are handled by relevant personnel including Chief Financial Officer, Head of Corporate Communications and Investor Relations or Company Secretary within the prescribed disclosure requirements under the MMLR and guided by the Corporate Disclosure Guide issued by Bursa Securities. Such disclosures would only be released to Bursa Securities, shareholders, investors and media after having reviewed and approved by senior management and/or Executive Directors and/or Joint Managing Directors (where applicable).

To comply with Paragraph 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.

Corporate Governance Statement

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.

The notice of AGM is dispatched to shareholders at least 21 days before the AGM and the notice of AGM is also advertised in a leading Malaysian daily newspaper.

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

Other than through the issuance of its Annual Reports, the Group has been actively promoting proactive engagements and communications with its shareholders and stakeholders through the following channels:

- Release of financial results on a quarterly basis;
- Press releases and announcements to Bursa Securities and subsequently to the media; and
- An Investor Relations section on the Group's website.

This statement is made in accordance with the approval of the Board of Directors on 26 January 2016.

Additional Compliance Information

A. UTILISATION OF PROCEEDS

The Company did not raise any proceeds from corporate proposals during the financial year ended 30 September 2015.

B. SHARE BUY BACK

The Company did not buy back any shares, resell or cancel any treasury shares during the financial year. There is no treasury share retained by the Company.

C. SHARE AND SHARE OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

On 16 April 2014, the Company issued 88,000,000 bonus warrants on the basis of one (1) warrant for every five (5) existing ordinary shares of RM0.20 each held by the shareholders. The exercise period commenced on the date of issued of warrants and it will mature within five (5) years from the date of issuance i.e. 15 April 2019.

As at 26 January 2016, 44,111,104 bonus warrants had been converted to ordinary shares at a conversion price of RM0.60 each.

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 2015.

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

There were no 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 2015 or entered since the end of the previous financial year.

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

Other than the related party transactions entered into in the ordinary course of business as disclosed in Note 32 to the financial statements, there are no other significant recurrent related party transactions of a revenue or trading nature.

Additional Compliance Information

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 2015.

Statement on Risk Management and Internal Control

This Statement on Risk Management and Internal Control which has been prepared in accordance with the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) ("Guidelines") is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements which requires the Board to include in its Annual Report a statement about the state of its risk management and internal control.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system as well as reviewing its adequacy and effectiveness. The Board is of the view that the risk management framework and internal control system are designed to manage the Group's risks within the acceptable risk appetite, rather than to eliminate the risk of failure to achieve the business goals and objectives. It can therefore only provide reasonable, rather than absolute assurance against material misstatement, fraud or loss.

The Board confirms that there is an ongoing risk management process established to identify, evaluate and manage significant risks to mitigate the risks that may impede the achievement of the Group's business and corporate objectives.

RISK MANAGEMENT

The Group's Risk Management Framework is outlined in the Risk Management Policy. The Framework adopts a structured and integrated approach in managing key business risks with the aim of safeguarding the shareholders' interests and the Group's assets.

The Board through the Audit Committee reviews adequacy and effectiveness of risk management on half yearly basis. The Risk Management Committee ("RMC") is established to assists Audit Committee ("AC") to identify and assess the risks and the effectiveness of the risk management process. Any approved policy and framework formulated to identify, measure and monitor various risk components are reviewed and recommended by the RMC to AC. Additionally, the AC reviews and assesses the adequacy of risk management policies and ensures that the infrastructure, resources and systems are emplaced for risk management.

The on-going risk management review process involves the key management staff in each operating unit of the Group 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.

Risk management principles, policies, procedures and practices are updated annually, or as and when so required, to ensure relevance and compliance with current applicable laws and regulations, and are made available to all Group's employees and business functions.

INTERNAL CONTROL SYSTEM

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 controls are 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. The Board and the AC meet every quarter to discuss financial performances, business operations and strategies, corporate updates and internal audits findings;

Statement on Risk Management and Internal Control

INTERNAL CONTROL SYSTEM (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. A fully independent AC comprising exclusively 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 the 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 any weaknesses in internal controls 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.

Executive management is accountable to the Board for implementing and monitoring the systems of risk management and internal control and for providing assurance to the Board that it has done so. For the period covered by this Statement, 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 are in place for the period covered by this Statement 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 Main Market Listing Requirements, the external auditors have reviewed this Statement. Their review was performed in accordance with Recommended Practice Guide 5 (Revised): Guidance for Auditors on the Review of Statement on Risk Management and 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 the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor is it factually inaccurate. 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 has been approved by the Board on 26 January 2016.

Directors' Responsibility Statement

The Board of Directors is required under Paragraph 15.26(a) of the Main Market Listing Requirements to issue a statement explaining their responsibility in the preparation of the annual audited financial statements.

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results of the operations, changes in equity and cash flows of the Group and of the Company for the financial year.

In preparing those financial statements, the Directors are required to:-

- use appropriate accounting policies and consistently apply them;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

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

This statement has been approved by the Board on 26 January 2016.

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 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.

MEMBERS OF THE AUDIT COMMITTEE

Name	Designation	Directorship	Total Meetings Attended/No. of Meetings Held*
Chung Wai Choong *(Retired on 26 March 2015)*	Chairman	Senior Independent Non-Executive Director	3/3
Wong Yoke Nyen	Member/ Chairman *(with effect from 26 March 2015)*	Independent Non-Executive Director	5/5
Datuk Aznam bin Mansor	Member	Independent Non-Executive Director	5/5
Lee Chaing Huat	Member	Senior Independent Non-Executive Director	4/5

* *The Audit Committee held five (5) meetings during the financial year ended 30 September 2015*

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 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;

TERMS OF REFERENCE (Cont'd)

A. Composition (Cont'd)

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

(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 associations of accountants specified in Part II of 1st Schedule of the Accountants Act 1967; or

(iii) fulfils such other requirements as prescribed in the Main Market Listing Requirements

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

(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 plans, audit reports, 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;

TERMS OF REFERENCE (Cont'd)

C. Duties and Responsibilities (Cont'd)

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

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

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

(vii) to consider and approve the non-audit services provided by the external auditors subject to the confirmation by the external auditors that such non-audit service(s) does not impair the independence of 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 plans and programmes, 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 require 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.

(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 impacts 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, listing and other legal requirements.

TERMS OF REFERENCE (Cont'd)

C. Duties and Responsibilities (Cont'd)

(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 Group's internal control structure to ensure operational effectiveness and efficiency, reduced risk of inaccurate financial reporting, protect the Group'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 responses.

(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;

(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 requisition the Secretary to call for an Audit Committee meeting, as the case may be.

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.

TERMS OF REFERENCE (Cont'd)

E. Procedure of Meetings (Cont'd)

(3) Notice of Meetings

Except in the case of an emergency meeting, 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 Chief Financial Officer, 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 and a copy shall be distributed to each member of the Audit Committee and the Board.

(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.

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 2015 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 twice with the external auditors and internal auditors without the presence of management and the Executive Directors;

(e) Reviewed and approved the appointment of the internal auditor and its' scope of work;

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

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES (Cont'd)

(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; and

(i) Reviewed and issued the Audit Committee Report for inclusion in the 2014 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 function 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 auditors present 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.

For the financial year ended 30 September 2015, the internal audit covered the review of the adequacy and effectiveness of the system of internal controls of the following processes:

a. Revenue collection and reporting at food and beverages ("F&B") sections in the hotels, waterpark and safari park;

b. Requisition and authorisation procedure, safe keeping and usage, hygiene and safety of the ingredients, food beverages, utensils etc.;

c. Manpower planning at F&B sections;

d. Project management includes project budget review, appointment of contractors and consultants and progress claim;

e. Project monitoring, quality control on material and site safety;

f. Revenue collection and reporting at Active Academy and other non-park facilities; and

g. Inventory management, cash management process and maintenance and safety guidelines of the non-park facilities.

In addition, the internal auditors also facilitated the Group in reviewing its regularly updated Risk Management Framework and risk profile. This review also assists the Board to determine the Group's level of risk tolerance, assess and manage risks, review the Group's internal controls 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 2015 was RM88,096.

This report has been reviewed and approved for inclusion in this Annual Report by the Audit Committee on 26 January 2016.

WONG YOKE NYEN
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 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are disclosed in Note 8 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	32,115	54,031
Attributable to:		
Owners of the Company	32,129	
Non-controlling interests	(14)	
	32,115	

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are as disclosed in the Financial Statements.

DIVIDENDS

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

	RM
Interim single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2014 paid on 16 January 2015	4,540,995
Final single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2014 paid on 11 June 2015	4,641,111
Interim single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2015 paid on 8 January 2016	4,841,111

The Directors have proposed a final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended 30 September 2015. This proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

HOLDING COMPANY

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

DIRECTORS

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

Dato' Chan Kong San
Dato' Gan Kim Leong
Datuk Aznam Bin Mansor
Lee Chaing Huat
Wong Yoke Nyen
Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad (Appointed on 1.10.2015)
Chung Wai Choong (Retired on 26.3.2015)

DIRECTORS' INTERESTS

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

	Number of ordinary shares of RM0.20 each			
	At 1.10.2014	**Bought**	**Sold**	**At 30.9.2015**
Indirect interest in the Company				
Dato' Chan Kong San*	272,778,000	35,000,000	(10,000,000)	297,778,000
Dato' Gan Kim Leong*	272,778,000	35,000,000	(10,000,000)	297,778,000

	Number of warrants				
	At 1.10.2014	**Bought**	**Exercised**	**Sold**	**At 30.9.2015**
Indirect interest in the Company					
Dato' Chan Kong San*	54,555,605	10,131,281	(33,000,000)	-	31,686,886
Dato' Gan Kim Leong*	54,555,605	10,131,281	(33,000,000)	-	31,686,886

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

By virtue of Dato' Chan Kong San's and Dato' Gan Kim Leong's indirect interest in the shares of the Company, they are also deemed to have an 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.

DIRECTORS' INTERESTS (Cont'd)

	Number of ordinary shares of RM1.00 each			
	At 1.10.2014	Bought	Sold	At 30.9.2015
Interest in the holding company				
- Sentoria Capital Sdn Bhd				
Dato' Chan Kong San	250,000	-	-	250,000
Dato' Gan Kim Leong	250,000	-	-	250,000

Other than as disclosed above, none of the other Directors in office at the end of the financial year held any shares or options over 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 of 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 benefits (other than as disclosed in Notes 26 and 29 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 of 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 interests as disclosed in Note 32 to the Financial Statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 44,111,104 ordinary shares of RM0.20 each at RM0.60 per share for a total cash consideration of RM26,466,662 on the exercise of 44,111,104 warrants pursuant to the Deed Poll of 27 March 2014.

There was no issuance of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued share of the Company during the financial year.

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 provision for doubtful debts and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; 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.

OTHER STATUTORY INFORMATION (Cont'd)

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 provision 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 would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements 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 the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(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.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 38 to the Financial Statements.

Directors' Report

AUDITORS

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

Signed by the Directors in accordance with a resolution of the Directors,

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

Kuala Lumpur
26 January 2016

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 46 to 112 are drawn up in accordance with the 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 2015 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 39 on page 113 to the Financial Statements has been compiled in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Signed by the Directors in accordance with a resolution of the Directors,

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

Kuala Lumpur
26 January 2016

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 46 to 112 and the financial information set out on page 113 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by	)	
the abovenamed at Kuala Lumpur in	)	
the Federal Territory this 26th day of	)	
January 2016	)	....
		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**

(Incorporated in Malaysia) (Company No: 463344-K)

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 2015, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 46 to 112.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation of 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 2015 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 39 on page 113 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

KHO KIM ENG
(NO: 3137/10/16 (J))
CHARTERED ACCOUNTANT

Kuala Lumpur
26 January 2016

Statements of Financial Position
As at 30 September 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	348,086	337,511	43,229	41,590
Biological assets	5	4,874	4,781	-	-
Property development costs	6	-	21,278	-	-
Investment properties	7	19,575	10,867	8,760	-
Investment in subsidiary companies	8	-	-	25,100	20,050
Deferred tax assets	9	49,618	44,174	-	-
Fixed deposits with licensed banks	10	4,999	11,734	1,434	5,293
Investment in short term funds	10	7,044	-	7,044	-
Goodwill on consolidation	11	3	3	-	-
Total non-current assets		434,199	430,348	85,567	66,933
Current assets					
Property development costs	6	81,036	54,012	-	-
Amount due from customers	12	159	20	-	-
Inventories	13	2,606	3,665	-	-
Trade receivables	14	125,675	127,482	-	4
Other receivables	15	34,186	25,254	2,805	6,435
Amount due from subsidiary companies	8	-	-	295,151	236,027
Deposits with a licensed bank	10	480	2,443	-	-
Cash and bank balances	16	12,923	16,014	1,018	585
Total current assets		257,065	228,890	298,974	243,051
Total assets		691,264	659,238	384,541	309,984
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	96,822	88,000	96,822	88,000
Share premium and treasury shares	18	46,744	29,099	46,744	29,099
Revaluation reserves	19	66,878	65,277	35,549	33,368
Retained earnings		165,826	142,299	58,374	13,525
		376,270	324,675	237,489	163,992
Non-controlling interests	8(c)	93	7	-	-
Total equity		376,363	324,682	237,489	163,992
Non-current liabilities					
Deferred tax liabilities	9	3,411	3,160	1,970	1,855
Borrowings	20	131,578	134,567	121,071	121,248
Total non-current liabilities		134,989	137,727	123,041	123,103

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Current liabilities					
Trade payables	21	46,981	45,506	257	274
Other payables	22	110,474	127,319	3,062	2,716
Amount due to holding company	23	12	350	-	350
Amount due to subsidiary companies	8	-	-	18,637	17,352
Tax payable		2,009	5,091	28	30
Borrowings	20	20,436	18,563	2,027	2,167
Total current liabilities		179,912	196,829	24,011	22,889
Total liabilities		314,901	334,556	147,052	145,992
Total equity and liabilities		691,264	659,238	384,541	309,984

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

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 September 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Revenue	24	219,625	218,444	50,000	13,825
Cost of sales	25	(132,290)	(139,883)	-	-
Gross profit		87,335	78,561	50,000	13,825
Other income		4,585	3,941	8,661	153
Distribution expenses		(711)	(1,172)	-	-
Administration expenses		(42,536)	(36,873)	(2,820)	(5,211)
Other expenses		(317)	(1,836)	-	-
Finance costs		(11,233)	(7,155)	(1,749)	(501)
Profit before tax	26	37,123	35,466	54,092	8,266
Tax expense	27	(5,008)	(6,475)	(61)	(432)
Net profit for the financial year		32,115	28,991	54,031	7,834
Items that will not be reclassified subsequently to profit or loss					
Revaluation of land and buildings		2,296	77,174	2,296	35,223
Deferred tax relating to revaluation of land and buildings		(115)	(11,897)	(115)	(1,855)
Other comprehensive income for the financial year		2,181	65,277	2,181	33,368
Total comprehensive income for the financial year		34,296	94,268	56,212	41,202
Net profit for the financial year attributable to:-					
Owners of the Company		32,129	29,139		
Non-controlling interests		(14)	(148)		
		32,115	28,991		
Total comprehensive income attributable to:-					
Owners of the Company		34,310	94,416		
Non-controlling interests		(14)	(148)		
		34,296	94,268		
Earnings per share attributable to equity holders of the Company (Sen)					
- Basic	28	6.98	6.62		
- Diluted	28	6.68	6.36		

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

Statements of Changes in Equity

For the Financial Year Ended 30 September 2015

		← Attributable to owners of the Company					→		
	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
Group									
Balance at 1 October 2013		88,000	29,382	(1)	-	130,885	248,266	205	248,471
Revaluation of land and buildings		-	-	-	77,174	-	77,174	-	77,174
Transfer to deferred taxation		-	-	-	(11,897)	-	(11,897)	-	(11,897)
Other comprehensive income for the financial year		-	-	-	65,277	-	65,277	-	65,277
Net profit for the financial year		-	-	-	-	29,139	29,139	(148)	28,991
Total comprehensive income for the financial year		-	-	-	65,277	29,139	94,416	(148)	94,268
Transactions with owners:									
Shares issuance expenses		-	(283)	-	-	-	(283)	-	(283)
Shares buy back		-	-	1	-	-	1	-	1
Acquisition of a subsidiary company		-	-	-	-	-	-	25	25
Changes in ownership interests in a subsidiary company		-	-	-	-	(8,925)	(8,925)	(75)	(9,000)
Dividends	33	-	-	-	-	(8,800)	(8,800)	-	(8,800)
Total transactions with owners		-	(283)	1	-	(17,725)	(18,007)	(50)	(18,057)
Balance at 30 September 2014		88,000	29,099	-	65,277	142,299	324,675	7	324,682
Revaluation of land and buildings		-	-	-	2,296	-	2,296	-	2,296
Transfer to deferred taxation		-	-	-	(115)	-	(115)	-	(115)
Crystallisation of revaluation reserve		-	-	-	(580)	580	-	-	-
Other comprehensive income for the financial year		-	-	-	1,601	580	2,181	-	2,181
Net profit for the financial year		-	-	-	-	32,129	32,129	(14)	32,115
Total comprehensive income for the financial year		-	-	-	1,601	32,709	34,310	(14)	34,296
Transactions with owners:									
Exercise of warrants		8,822	17,645	-	-	-	26,467	-	26,467
Acquisition of a subsidiary company		-	-	-	-	-	-	100	100
Dividends	33	-	-	-	-	(9,182)	(9,182)	-	(9,182)
Total transactions with owners		8,822	17,645	-	-	(9,182)	17,285	100	17,385
Balance at 30 September 2015		96,822	46,744	-	66,878	165,826	376,270	93	376,363

Statements of **Changes in Equity**

For the Financial Year Ended 30 September 2015

	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserves RM'000	Retained earnings RM'000	Total RM'000
		← Attributable to owners of the Company				→	
Company							
Balance at 1 October 2013		88,000	29,382	(1)	-	14,491	131,872
Revaluation of land and buildings		-	-	-	35,223	-	35,223
Transfer to deferred taxation		-	-	-	(1,855)	-	(1,855)
Other comprehensive income for the financial year		-	-	-	33,368	-	33,368
Net profit for the financial year		-	-	-	-	7,834	7,834
Total comprehensive income for the financial year		-	-	-	33,368	7,834	41,202
Transactions with owners:							
Shares issuance expenses		-	(283)	-	-	-	(283)
Shares buy back		-	-	1	-	-	1
Dividends	33	-	-	-	-	(8,800)	(8,800)
Total transactions with owners		-	(283)	1	-	(8,800)	(9,082)
Balance at 30 September 2014		88,000	29,099	-	33,368	13,525	163,992
Revaluation of land and buildings		-	-	-	2,296	-	2,296
Transfer to deferred taxation		-	-	-	(115)	-	(115)
Other comprehensive income for the financial year		-	-	-	2,181	-	2,181
Net profit for the financial year		-	-	-	-	54,031	54,031
Total comprehensive income for the financial year		-	-	-	2,181	54,031	56,212
Transactions with owners:							
Exercise of warrants		8,822	17,645	-	-	-	26,467
Dividends	33	-	-	-	-	(9,182)	(9,182)
Total transactions with owners		8,822	17,645	-	-	(9,182)	17,285
Balance at 30 September 2015		96,822	46,744	-	35,549	58,374	237,489

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

Statements of Cash Flows

For the Financial Year Ended 30 September 2015

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	37,123	35,466	54,092	8,266
Adjustments for:-				
Allowance for doubtful debts no longer required	-	(83)	-	-
Bad debts written off	-	167	-	-
Biological assets written off	311	1,361	-	-
Depreciation of investment properties	52	145	-	-
Depreciation of property, plant and equipment	11,291	9,822	273	188
Depreciation of biological assets	637	602	-	-
Impairment loss on land	-	305	-	-
Interest and commission expenses	9,427	6,904	1,440	451
Dividend income	-	-	(50,000)	(10,000)
Fair value gain on revaluation of investment properties	(3,301)	(2,857)	-	-
Gain on disposal of property, plant and equipment	(161)	(274)	(8,338)	(10)
Interest income	(683)	(231)	(254)	(103)
Property, plant and equipment written off	7	2	-	-
Operating profit/(loss) before working capital changes	54,703	51,329	(2,787)	(1,208)
Changes in working capital:-				
Property development costs	(10,783)	(36,064)	-	-
Inventories	1,059	788	-	-
Amount due from customers	(139)	(20)	-	-
Receivables	(7,125)	(29,649)	3,634	(3,523)
Payables	(15,370)	51,885	329	(9,204)
Cash generated from/(used in) operations	22,345	38,269	1,176	(13,935)
Interest received	683	231	254	103
Interest and commission paid	(9,427)	(6,904)	(1,440)	(451)
Tax paid	(13,401)	(11,866)	(66)	(410)
Tax refund	3	198	3	-
Net cash from/(used in) operating activities	203	19,928	(73)	(14,693)

Statements of Cash Flows

For the Financial Year Ended 30 September 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		-	-	50,000	10,000
Purchase of property, plant and equipment	A	(19,282)	(48,154)	(38)	(200)
Purchase of biological assets		(1,041)	(1,646)	-	-
Purchase of investment properties		-	-	(8,760)	-
Acquisition of subsidiary companies		-	-	(1,050)	(175)
Subscription of additional ordinary shares in subsidiaries		-	-	(4,000)	-
Acquisition of interest from non-controlling interests		-	(9,000)	-	(9,000)
Proceeds from subscription of shares in a subsidiary company by non-controlling interests		100	25	-	-
Upliftment/(placement) of fixed deposits/ deposits with licensed banks		8,698	(11,629)	3,859	(3,981)
Investment in short term funds		(7,044)	-	(7,044)	-
Proceeds from disposal of property, plant and equipment		163	307	8,760	10
Net cash (used in)/from investing activities		(18,406)	(70,097)	41,727	(3,346)
CASH FLOWS FROM FINANCING ACTIVITIES					
Shares issuance expenses		-	(283)	-	(283)
Proceeds from issuance of shares		26,467	-	26,467	-
Proceeds from sale of treasury shares		-	1	-	1
Dividends paid		(9,182)	(8,800)	(9,182)	(8,800)
(Repayment to)/advance from holding company		(338)	(222)	(350)	350
Net repayment to subsidiary companies		-	-	(57,839)	(95,129)
Repayment of finance lease liabilities		(1,133)	(938)	(18)	(16)
Repayment of borrowings		(123,677)	(47,926)	(120,411)	(62)
Drawndown of borrowings		120,000	125,762	120,000	121,710
Net cash from/(used in) financing activities		12,137	67,594	(41,333)	17,771
CASH AND CASH EQUIVALENTS					
Net (decrease)/increase		(6,066)	17,425	321	(268)
At beginning of financial year		10,515	(6,910)	(457)	(189)
At end of financial year	B	4,449	10,515	(136)	(457)

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 RM20,001,000 (2014: RM49,007,000) and RM38,000 (2014: RM200,000) respectively of which RM719,000 (2014: RM853,000) and Nil (2014: Nil) respectively were acquired by means of finance lease arrangements. Cash payments of RM19,282,000 (2014: RM48,154,000) and RM38,000 (2014: RM200,000) 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:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash and bank balances	12,923	16,014	1,018	585
Bank overdrafts (Note 20)	(8,474)	(5,499)	(1,154)	(1,042)
	4,449	10,515	(136)	(457)

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

Notes to the **Financial Statements**
30 September 2015

1. GENERAL INFORMATION

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 Company's 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 Company is principally engaged in investment holding. The principal activities of the subsidiary companies are disclosed in Note 8 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 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 26 January 2016.

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 Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("MASB") and the requirements of the Companies Act, 1965 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention except for certain land and buildings that are measured at fair value at the end of each reporting year as disclosed in the summary of significant accounting policies.

Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and the Company.

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

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

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

2. BASIS OF PREPARATION (Cont'd)

2.2 Basis of measurement (Cont'd)

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

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

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

(c) Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable

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

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

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 Group and the Company have consistently applied the accounting policies set out in Note 3 to all periods presented in these financial statements.

At the beginning of the current financial year, the Group and the Company adopted FRSs and amendments to FRSs which are mandatory for the financial periods beginning on or after 1 October 2014.

Initial application of the standards and amendments to standards did not have any material impact to the financial statements.

The nature and the impact of the amendments to standards which are prospectively applicable to the Group and the Company are described below:-

Amendments to FRS 132 Offsetting Financial Assets and Financial Liabilities

The amendments to FRS 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

2. **BASIS OF PREPARATION** (Cont'd)

2.4 Adoption of new and revised Financial Reporting Standards ("FRSs") (Cont'd)

Amendments to FRS 136 Recoverable Amount Disclosures for Non-Financial Assets

The amendments to FRS 136 clarify that an entity is required to disclose the recoverable amount of an asset or cash generating unit whenever an impairment loss has been recognised or reversed in the period. In addition, the amendments introduced several new disclosures required to be made when the recoverable amount of impaired assets is based on fair value less costs of disposal, including:

- Additional information about fair value measurement including the applicable level of the fair value hierarchy, and a description of any valuation techniques used and key assumptions made; and

- The discount rates used if fair value less costs of disposal is measured using a present value technique.

These additional disclosures are in line with the disclosure required by FRS 13 Fair Value Measurements.

2.5 Standards issued but not yet effective

The followings are standards and amendments which are not yet effective and have not been early adopted by the Group and the Company:

FRSs and Amendments to FRSs effective 1 January 2016:-

FRS 10, 12 and 128	Consolidated Financial Statements, Disclosure of Interests in Other Entities and Investments in Associates and Joint Ventures: Investment Entities – Applying the Consolidation Exception
FRS 11	Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations
FRS 14	Regulatory Deferral Accounts
FRS 101	Presentation of financial statements: Disclosure initiative
FRS 116	Property, Plant and Equipment : Agriculture – Bearer Plants
FRS 116	Property, Plant and Equipment: Clarification of Acceptable Methods of Depreciation
FRS 127	Consolidated and Separate Financial Statements: Equity Method in Separate Financial Statements
FRS 138	Intangible Assets: Clarification of Acceptable Methods of Amortisation
FRS 141	Agriculture: Bearer Plants

Annual improvements to FRSs 2012-2014 Cycle issued in November 2014

FRSs and Amendments to FRSs effective 1 January 2018:-

FRS 9	Financial Instruments (International Financial Reporting Standards ("IFRS") 9 issued by International Accounting Standards Board ("IASB") in July 2014)
Amendments to FRS 7	Financial Instruments – Disclosures: Mandatory effective date of FRS 9 and transitional disclosures

Amendments to FRSs (deferred effective date to be announced by the MASB):-

FRS 10 and 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

FRS 11, 12, 14, 127, 128, 138, 141 and annual improvements 2012 - 2014 are not applicable to the Group's operations.

FRS 10, 11, 12, 14, 127, 128, 138, 141 and annual improvements 2012 - 2014 are not applicable to the Company's operation.

2. BASIS OF PREPARATION (Cont'd)

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

The initial application of the above standards, amendments and interpretation are not expected to have any significant financial impacts to the financial statements, except for:

FRS 9 Financial Instruments

FRS 9 reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous version of FRS 9. The new standard introduces extensive requirements and guidance for classification and measurement of financial assets and financial liabilities which fall under the scope of FRS 9, new "expected credit loss model" under the impairment of financial assets and greater flexibility has been allowed in hedge accounting transactions.

The Company is currently examining the financial impact of adopting FRS 9.

New MASB Approved Accounting Standards

To converge with International Financial Reporting Standards ("IFRSs") in 2012, the Malaysian Accounting Standards Board ("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 MFRS 15 Revenue from Contracts with Customers for Construction, including its parent, significant investor and venture ("Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRSs. Consequently, adoption of the MFRSs by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

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 2019.

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 earnings.

The Group and the Company have not completed their quantification of the financial effects of the differences between Financial Reporting Standards ("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 2015 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 for the financial year ending 30 September 2019.

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 4 to 99 years and reviews the useful lives of depreciable assets at each reporting date. At 30 September 2015, 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 analysed in Notes 4, 5 and 7 to the Financial Statements respectively. Actual results, however, may vary due to change in the expected levels of usage and technological developments, with resulting the adjustment to the Group's assets.

Property development

The Group recognises property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear 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 amount of property development costs of the Group arising from property development activities is disclosed in Note 6 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 as at the reporting date are summarised in Notes 8, 10, 14, 15 and 16 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 to the extent that it is probable that future taxable profits will be available against which all the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Income taxes

Significant judgement is involved in determining the Group's and the Company's 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.

Revaluation of property, plant and equipment

The Group and the Company measure their land and buildings at revalued amount with changes in fair value being recognised in other comprehensive income. The Group and the Company engaged independent valuation specialists to determine fair values.

The carrying amount of the land and building at the end of the reporting date and the relevant revaluation bases are disclosed in Note 4 to the Financial Statements.

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 and the Company determine 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 and the Company consider whether a property generates cash flows largely independently of the other assets held by the Group and the Company.

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 and the Company 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.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies, as summarised below consistently throughout all periods presented in the financial statements.

3.1 Consolidation

3.1.1 Basis of consolidation

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

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 profit or loss.

The Group elects for each individual business combination, whether non-controlling interests 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's net identifiable assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.1 Consolidation (Cont'd)

3.1.1 Basis of consolidation (Cont'd)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of the non-controlling interests 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 profit or loss on the acquisition date.

Subsidiary companies 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 interests represent the equity in subsidiary companies not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statements of profit or loss and other 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 company 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 company. Any difference between the amount by which the non-controlling interests are 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 company, the Group derecognises the assets and liabilities of the subsidiary company, any non-controlling interests and the other components of equity related to the subsidiary company. 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 company, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

3.2 Subsidiary companies

Subsidiary companies are entities, including structured entities, controlled by the Group or the Company. Control exists when the Group or the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. Besides, the Group or the Company considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investment in subsidiary companies is stated at cost less any impairment losses in the Company's financial position, unless the investment is held for sale or distribution.

Upon the disposal of investment in a subsidiary company, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

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.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.3 Property, plant and equipment (Cont'd)

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 profit or loss as incurred.

Land and buildings are measured at fair value less accumulated depreciation and impairment losses, if any. Valuations are performed with sufficient regularity, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting year.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land and buildings is recognised in other comprehensive income and credited to the "revaluation reserve" in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to other comprehensive income.

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	83 - 99 years
Long term leasehold buildings	2%
Cabin	10% - 20%
Plant and machinery	14%
Motor vehicles	20%
Furniture, fittings, office equipment and others	8% - 25%
Renovation	10%

Restoration cost relating to an item of property, plant and equipment is capitalised only if such expenditure is expected to increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Work-in-progress consists of general infrastructure and building under construction. The amount is stated at cost and includes the capitalisation of interest incurred on borrowings related to property, plant and equipment under construction until the property, plant and equipment are ready for their intended use. Work-in-progress is not depreciated until it is completed and ready for intended use.

The residual values, useful lives and depreciation method are reviewed at least annually to ensure that the amount, method and rates of depreciation are consistent with the previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.3 Property, plant and equipment (Cont'd)

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 differences between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

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 costs. Cost includes expenditures that are directly attributable to the acquisition of the investment properties.

Subsequent to initial recognition, investment properties (leasehold buildings) are measured at fair value and are revalued annually and are included in the statements of financial position at their open market values. Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss in the period in which they arise. The fair values are determined by external professional valuers with sufficient experience with respect to both the location and the nature of the investment property and are supported by market evidence.

Depreciation on investment properties is computed on the straight line basis in order to write off the cost over their estimated useful lives. The principal annual depreciation rates used are 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 profit or loss in the year of retirement or disposal.

Transfers are made to or from investment properties only when there is a change in use. For a transfer from investment properties to owner-occupied properties, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied properties become investment properties, the Company accounts for such properties in accordance with the policy stated under properties, plant and equipment up to the date of change.

3.5 Biological assets

All biological assets are measured at cost less accumulated depreciation and impairment loss, if any. 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 profit or loss during the financial year in which they incurred.

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%.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.5 Biological assets (Cont'd)

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

A biological asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

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 profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

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

Property development costs are shown within non-current assets in the statements of financial position when the property development works are not expected to be completed within the normal operating cycle.

The excess of revenue recognised in profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss 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 interests 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 at the date of acquisition.

Goodwill arising on the acquisition of subsidiary companies 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 group of cash-generating units, that are expected to benefit from the synergies of the combination.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.7 Goodwill (Cont'd)

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 profit or loss.

An impairment loss recognised for goodwill should not be reversed in the 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, the goodwill associated with the operations disposed, is included in the carrying amount of the operations when determining the gain or loss on disposal of the operations. Goodwill disposed in these circumstances is measured based on the relative fair values of the operations disposed and portion of the cash-generating unit retained.

3.8 Impairment of assets

3.8.1 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 group 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 profit or loss immediately except for a property 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 profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as revaluation increase.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.8 Impairment of assets (Cont'd)

3.8.2 Financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

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

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the 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 profit or loss.

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

Available-for-sale financial assets

For available-for-sale financial assets, the Group and the Company assess at each reporting date whether there is objective evidence that an investment is impaired.

In the case of an investment classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss - is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity investment are not reversed through profit or loss; increases in its fair value after impairments are recognised directly in other comprehensive income.

3.9 Financial instruments

3.9.1 Initial recognition and measurement

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 which are measured subsequently are as described below.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.9 Financial instruments (Cont'd)

3.9.2 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.

All financial assets except for those classified 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 expired or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

At the reporting date, the Group and the Company carry only loans and receivables and available-for-sale financial assets on their respective 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 profit or loss 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 year which are classified as non-current.

<u>Available-for-sale financial assets</u>

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's and the Company's available-for-sale financial assets include investment in short term funds.

Available-for-sale financial assets are measured at fair value subsequent to the initial recognition. Gains and losses are recognised in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss.

When the asset is disposed or is determined to be impaired, the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the end of the reporting year.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.9 Financial instruments (Cont'd)

3.9.3 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 using the effective interest method; 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 profit or loss.

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

Other liabilities measured at amortised cost

The Group's and the Company's other financial liabilities include borrowings, amounts due to 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.

3.10 Inventories

3.10.1 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.

3.10.2 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)

3.11 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 date. 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 year in which they 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 or 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.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, short term demand deposits, bank overdrafts 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 assets.

3.13 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 of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.14 Leases

3.14.1 Finance lease

The cost of property, plant and equipment acquired under finance lease 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 finance lease 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 profit or loss 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.

3.14.2 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 profit or loss 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.

3.15 Equity, reserves 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 issuance of the ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

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' retained profits.

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

Interim dividends on ordinary shares are accounted for in equity as an appropriation of retained earnings in the year in which they are declared while final dividends are recognised in equity upon approval of the Company in meeting.

3.16 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 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 offset with the share premium account or distributable reserves, or both.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.16 Treasury shares (Cont'd)

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.

3.17 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.

3.18 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.

3.18.1 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 profit or loss.

3.18.2 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 costs incurred to date over the estimated total contract costs of a project. Any anticipated loss is recognised in full.

3.18.3 Leisure and hospitality

Revenue is recognised upon sales of goods and/or performance of services.

3.18.4 Management fees

Management fees are recognised when services are rendered.

3.18.5 Dividend income

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

3.18.6 Other revenue

Interest income is recognised on accrual basis.

Rental income is recognised when the rent is due.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

3.19 Employee benefits

3.19.1 Short-term benefits

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

3.19.2 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group or the Company pays fixed contributions into independent 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 profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

3.20 Tax expenses

3.20.1 Current tax

Income tax on the profit or loss 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 financial year and are measured using the tax rates that have been enacted or substantively enacted by the reporting date.

3.20.2 Deferred tax

Deferred tax liabilities and assets are provided for under the liability method at the current tax rate that have been enacted or substantively enacted by the reporting date 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 unused tax losses and capital allowances.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits 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 profits 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 future taxable profits will be available, such reductions will be reversed to the extent of the taxable profits.

Deferred tax is recognised in profit or loss, 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)

3.21 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.

3.22 Contingencies

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

3.23 Goods and service tax

Goods and services tax ("GST") is a consumption tax based on value-added concept. GST is imposed on goods and services at every production and distribution stage in the supply chain including importation of goods and services, at the applicable tax rate of 6%. Input GST that the Group and the Company paid on purchases of business inputs can be deducted from their respective output GST.

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred in a purchase of assets or services is not recoverable from the authority, in which case the GST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the authority is included as part of receivables or payables in the statements of financial position.

3.24 Related parties

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group 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 Group if that person:

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

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

(i) the entity and the Group 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 Group or an entity related to the Group; 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 entity or is a member of the key management personnel of the holding company, or the entity.

4. PROPERTY, PLANT AND EQUIPMENT

Group	At cost/ valuation Land and buildings RM'000	At cost Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings, office equipment and others RM'000	Renovation RM'000	Work-in-progress RM'000	Total RM'000
Cost or valuation							
At 1 October 2013	191,100	6,374	7,290	30,333	799	9,200	245,096
Additions	45,285	285	1,064	1,344	-	1,029	49,007
Disposals	-	(138)	(517)	-	-	-	(655)
Written off	-	-	-	(17)	-	-	(17)
Transfer	6,026	-	-	-	-	(6,026)	-
Revaluation	68,571	-	-	-	-	-	68,571
At 30 September 2014	310,982	6,521	7,837	31,660	799	4,203	362,002
Additions	11,854	763	999	1,194	180	5,011	20,001
Disposals	-	-	(584)	-	-	-	(584)
Transfer to investment properties	(422)	-	-	-	-	-	(422)
Written off	-	-	-	(22)	-	-	(22)
Revaluation	2,296	-	-	-	-	-	2,296
At 30 September 2015	324,710	7,284	8,252	32,832	979	9,214	383,271
Accumulated depreciation							
At 1 October 2013	5,786	3,911	3,370	10,035	502	-	23,604
Charge for the financial year	3,884	745	1,242	3,881	70	-	9,822
Disposals	-	(105)	(517)	-	-	-	(622)
Written off	-	-	-	(15)	-	-	(15)
Revaluation	(8,603)	-	-	-	-	-	(8,603)
At 30 September 2014	1,067	4,551	4,095	13,901	572	-	24,186
Charge for the financial year	5,236	742	1,449	3,782	82	-	11,291
Disposals	-	-	(582)	-	-	-	(582)
Written off	-	-	-	(15)	-	-	(15)
At 30 September 2015	6,303	5,293	4,962	17,668	654	-	34,880
Accumulated impairment							
At 1 October 2013	-	-	-	-	-	-	-
Charge for the financial year	305	-	-	-	-	-	305
At 30 September 2014/ 30 September 2015	305	-	-	-	-	-	305
Net carrying amount							
At 30 September 2015	318,102	1,991	3,290	15,164	325	9,214	348,086
At 30 September 2014	309,610	1,970	3,742	17,759	227	4,203	337,511

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Analysis of land and buildings:-

Group	Freehold land RM'000	Long term leasehold land RM'000	Long term leasehold buildings RM'000	Cabin RM'000	Total RM'000
Cost or valuation					
At 1 October 2013	5,867	3,288	181,542	403	191,100
Additions	-	32,575	12,693	17	45,285
Transfers	-	-	6,026	-	6,026
Revaluation	34,868	13,645	20,058	-	68,571
At 30 September 2014	40,735	49,508	220,319	420	310,982
Additions	-	498	11,356	-	11,854
Transfer to investment properties	(422)	-	-	-	(422)
Revaluation	2,296	-	-	-	2,296
At 30 September 2015	42,609	50,006	231,675	420	324,710
Accumulated depreciation					
At 1 October 2013	-	24	5,399	363	5,786
Charge for the financial year	-	61	3,787	36	3,884
Revaluation	-	(60)	(8,543)	-	(8,603)
At 30 September 2014	-	25	643	399	1,067
Charge for the financial year	-	566	4,650	20	5,236
At 30 September 2015	-	591	5,293	419	6,303
Accumulated impairment					
At 1 October 2013	-	-	-	-	-
Charge for the financial year	305	-	-	-	305
At 30 September 2014/ 30 September 2015	305	-	-	-	305
Net carrying amount					
At 30 September 2015	42,304	49,415	226,382	1	318,102
At 30 September 2014	40,430	49,483	219,676	21	309,610

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company	At cost/ valuation Land and buildings RM'000	At cost Furniture, fittings and office equipment RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
Cost or valuation						
At 1 October 2013	5,906	1,048	159	541	638	8,292
Additions	-	200	-	-	-	200
Disposals	-	-	-	(108)	-	(108)
Revaluation	35,067	-	-	-	-	35,067
At 30 September 2014	40,973	1,248	159	433	638	43,451
Additions	-	38	-	-	-	38
Disposals	(422)	-	-	-	-	(422)
Revaluation	2,296	-	-	-	-	2,296
At 30 September 2015	42,847	1,286	159	433	638	45,363
Accumulated depreciation						
At 1 October 2013	147	701	159	489	441	1,937
Charge for the financial year	11	99	-	21	57	188
Disposals	-	-	-	(108)	-	(108)
Revaluation	(156)	-	-	-	-	(156)
At 30 September 2014	2	800	159	402	498	1,861
Charge for the financial year	14	181	-	21	57	273
At 30 September 2015	16	981	159	423	555	2,134
Net carrying amount						
At 30 September 2015	42,831	305	-	10	83	43,229
At 30 September 2014	40,971	448	-	31	140	41,590

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Analysis of land and buildings:-

Company	Freehold land RM'000	Long term leasehold buildings RM'000	Total RM'000
Cost or valuation			
At 1 October 2013	4,975	931	5,906
Revaluation	34,728	339	35,067
At 30 September 2014	39,703	1,270	40,973
Disposals	(422)	-	(422)
Revaluation	2,296	-	2,296
At 30 September 2015	41,577	1,270	42,847
Accumulated depreciation			
At 1 October 2013	-	147	147
Charge for the financial year	-	11	11
Revaluation	-	(156)	(156)
At 30 September 2014	-	2	2
Charge for the financial year	-	14	14
At 30 September 2015	-	16	16
Net carrying amount			
At 30 September 2015	41,577	1,254	42,831
At 30 September 2014	39,703	1,268	40,971

Freehold land, leasehold land and buildings including work-in-progress of the Group and of the Company with net carrying amount of RM286,666,000 (2014: RM33,985,000) and RM25,768,000 (2014: RM1,268,000) respectively have been charged to licensed banks to secure banking facilities granted to the Group and the Company respectively. The details of these bank facilities are disclosed in Note 20 to the Financial Statements.

Net carrying amount of assets held under finance lease arrangements:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Motor vehicles	2,840	3,162	10	31
Plant and machinery	100	119	-	-
	2,940	3,281	10	31

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Revaluation of freehold and leasehold land and buildings

The Group's and the Company's freehold land, leasehold land and buildings are stated at their revalued amounts, being the fair values at the date of revaluation, less any subsequent depreciation and subsequent accumulated impairment losses.

Fair value measurement of the freehold land, leasehold land and buildings is categorised as follows:

Group	**Level 2**	
	2015	**2014**
	RM'000	**RM'000**
Recurring fair value measurements		
Freehold land	42,304	40,430
Leasehold land	48,921	49,483
Leasehold buildings	215,377	219,676

Company	**Level 2**	
	2015	**2014**
	RM'000	**RM'000**
Recurring fair value measurements		
Freehold land	41,577	39,703
Leasehold buildings	1,254	1,268

There were no transfers between Level 1 and Level 2 during the current financial year.

Level 2 fair value

Fair values of freehold land were derived by using the Comparison Method of Valuation.

Fair values of leasehold land were derived by using the Cost Method of Valuation.

Fair values of buildings were derived by using the Comparison and Cost Method of Valuation.

Comparison Method of Valuation entails comparing the sales price of the properties in close proximity. Sales price of the properties are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

Cost Method of Valuation entails adopting the current replacement cost arrived at by determining the construction cost, financing charges, advertising charges, professional fees, other incidental expenses and developer's profit in building the structures and to less depreciation.

The Group and the Company engaged external, independent and qualified valuer to determine the fair values of the freehold and leasehold land and buildings on 18 August 2014. The revaluation surplus net of applicable deferred tax was credited to other comprehensive income and is shown in "Revaluation Reserves" in equity. Downward revaluation of leasehold land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss.

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Level 2 fair value (Cont'd)

If freehold and leasehold land and buildings are measured using the historical cost model, the carrying amount would be as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Freehold land	5,867	5,867	4,975	4,975
Accumulated impairment	(305)	(305)	-	-
Carrying amount	5,562	5,562	4,975	4,975
Long term leasehold land	36,361	35,863	-	-
Accumulated depreciation	(191)	(69)	-	-
Carrying amount	36,170	35,794	-	-
Long term leasehold buildings	211,617	200,261	931	931
Accumulated depreciation	(13,481)	(9,198)	(176)	(158)
Carrying amount	198,136	191,063	755	773

5. BIOLOGICAL ASSETS

	Group	
	2015	**2014**
	RM'000	**RM'000**
Cost		
At beginning of financial year	5,315	5,098
Additions	1,041	1,646
Written off	(378)	(1,429)
At end of financial year	5,978	5,315
Accumulated depreciation		
At beginning of financial year	534	-
Additions	637	602
Written off	(67)	(68)
At end of financial year	1,104	534
Net carrying amount	4,874	4,781

Biological assets represent living animal exhibits at Bukit Gambang Safari Park.

6. PROPERTY DEVELOPMENT COSTS

	Group	
	2015	2014
	RM'000	RM'000
At beginning of financial year		
- freehold land, at cost	7,130	7,302
- leasehold land, at cost	53,816	33,075
- development costs	265,808	223,079
	326,754	263,456
Costs incurred during the financial year		
- freehold land, at cost	283	(172)
- leasehold land, at cost	(99)	29,036
- development costs	76,150	88,763
	76,334	117,627
Reversal of completed projects	-	(54,329)
	-	(54,329)
Total	403,088	326,754
Cost recognised in profit or loss		
- previous financial years	(251,464)	(224,230)
- current financial year	(65,497)	(81,563)
- reversal of completed project	-	54,329
- transfer to inventories	(54)	-
- transfer to investment properties	(5,037)	-
	(322,052)	(251,464)
At end of financial year	81,036	75,290
Analysed as:		
- Current	81,036	54,012
- Non-current	-	21,278
	81,036	75,290

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

	Group	
	2015	2014
	RM'000	RM'000
Depreciation	-	777
Interest expenses	541	1,847
Rental of model house	-	9
Rental of staff quarter	-	9

6. PROPERTY DEVELOPMENT COSTS (Cont'd)

The title deeds of the freehold land and long term leasehold land under development amounting to RM7,130,000 and RM18,480,000 (2014: RM7,130,000 and RM18,480,000) respectively are registered in the name of third parties.

The long term leasehold land under development amounting to RM9,238,000 (2014: RM9,238,000) has been charged to licensed banks to secure a portion of the bank borrowings.

7. INVESTMENT PROPERTIES

Group	Freehold land and buildings	Leasehold buildings	Long term leasehold land	Total
	RM'000	RM'000	RM'000	RM'000
Cost or valuation				
At 1 October 2013	-	7,156	1,563	8,719
Fair value adjustments	-	2,353	-	2,353
At 30 September 2014	-	9,509	1,563	11,072
Transfer from property, plant and equipment	422	-	-	422
Transfer from property development costs	5,037	-	-	5,037
Fair value gain on revaluation of investment properties	3,301	-	-	3,301
At 30 September 2015	8,760	9,509	1,563	19,832
Accumulated depreciation				
At 1 October 2013	-	516	48	564
Charge for the financial year	-	129	16	145
Fair value adjustments	-	(504)	-	(504)
At 30 September 2014	-	141	64	205
Charge for the financial year	-	36	16	52
At 30 September 2015	-	177	80	257
Net carrying amount				
At 30 September 2015	8,760	9,332	1,483	19,575
At 30 September 2014	-	9,368	1,499	10,867

Company	Freehold land and buildings
	RM'000
Cost and net carrying amount	
At 1 October 2013/2014	-
Additions	8,760
At 30 September 2015	8,760

The investment properties with net carrying amount of RM7,690,000 (2014: RM7,690,000) are pledged to a licensed bank for banking facilities granted to subsidiary companies.

7. INVESTMENT PROPERTIES (Cont'd)

Included in the above are:

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
At fair value				
Freehold land and buildings	8,760	-	8,760	-
Leasehold buildings	7,688	7,688	-	-
	16,448	7,688	8,760	-
At cost				
Leasehold buildings	1,644	1,680	-	-
Long term leasehold land	1,483	1,499	-	-
	19,575	10,867	8,760	-

Fair value basis of investment properties

The fair value represents the amount at which the properties could be exchanged on an open market basis between a knowledgeable willing buyer and a knowledgeable willing seller on an arm's length basis at the reporting date.

The fair value of the Group's investment properties has been arrived at on the basis of a valuation carried out by Rahim & Co (Pahang) Sdn. Bhd., a firm of independent professional valuers, who have appropriate professional qualification and recent experience in the relevant location and assets being valued. The fair value of the investment properties was determined using the Comparison Method.

The Comparison Method entails comparing the property with comparable properties which have been sold or are being offered for sale and making adjustments for factors which affect value such as location and accessibility, size, building construction and finishes, building services, management and maintenance, age and state of repair, market condition and other relevant characteristics.

Fair value measurement of the investment properties are categorised as follows:

Group	Level 2	
	2015	2014
	RM'000	RM'000
Recurring fair value measurements		
Freehold land and buildings	8,760	-
Leasehold buildings	7,688	7,688

Company	Level 2	
	2015	2014
	RM'000	RM'000
Recurring fair value measurements		
Freehold land and buildings	8,760	-

There were no transfers between Level 1 and Level 2 during the financial year.

7. INVESTMENT PROPERTIES (Cont'd)

Investment properties at cost

The leasehold building and long term leasehold land are stated at cost due to an agreement signed with the relevant authority.

Income and expenses recognised in profit or loss

	Group	
	2015	**2014**
	RM'000	**RM'000**
Rental income	86	132
Direct operating expenses:		
- quit rent and assessment	18	2
- insurance	4	-

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.

8. SUBSIDIARY COMPANIES

(a) Investment in subsidiary companies

	Company	
	2015	**2014**
	RM'000	**RM'000**
Unquoted shares - at cost		
At beginning of financial year	20,050	10,875
Additions during the financial year	5,050	9,175
At end of financial year	25,100	20,050

The subsidiary companies all of which were incorporated in Malaysia, are as follows:-

Name of company	**Effective equity interest**		**Principal activities**
	2015	**2014**	
	%	**%**	
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	Yet to commence active operations
Sentoria Alfa Sdn. Bhd.	100	100	Property development
Sentoria Vacation Club Berhad	100	100	Vacation club operator

8. SUBSIDIARY COMPANIES (Cont'd)

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

The subsidiary companies all of which were incorporated in Malaysia, are as follows (Cont'd):-

Name of company	Effective equity interest 2015 %	Effective equity interest 2014 %	Principal activities
Sentoria Morib Bay Sdn. Bhd.	100	100	Yet to commence active operations
Sentoria Land Sdn. Bhd.	100	100	Dormant
Sentoria Borneo Samariang Sdn. Bhd.	100	100	Yet to commence active operations
Sentoria Borneo Land Sdn. Bhd.	100	100	Property development
Sentoria Themeparks and Resorts Sdn. Bhd.	100	100	Hotel, water and safari park operator and investment holding
Sentoria Langkawi Sdn. Bhd.	75	75	Theme park operator and property development
Sentoria Projects Sdn. Bhd. (formerly known as Sempurna Kuantan Sdn. Bhd.)	100	-	General contractor
Sentoria Utara Sdn. Bhd.	75	-	Yet to commence active operations
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
Sentoria Projects Sdn. Bhd. (formerly known as Sempurna Kuantan Sdn. Bhd.)	-	100	General contractor

(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. **SUBSIDIARY COMPANIES** (Cont'd)

(c) Non-controlling interests ("NCI") in subsidiary companies

Group

The Group's subsidiary companies that have material non-controlling interests are as follows:-

2015	Sentoria Utara Sdn. Bhd.	Sentoria Langkawi Sdn. Bhd.	Total
Percentage of ownership interest and voting interest held by NCI as at end of financial year (%)	25%	25%	
Carrying amount of NCI (RM'000)	98	(5)	93
Loss allocated to NCI (RM'000)	(2)	(12)	(14)

2014	Sentoria Alfa Sdn. Bhd.	Sentoria Langkawi Sdn. Bhd.	Total
Percentage of ownership interest and voting interest held by NCI as at end of financial year (%)	-	25%	
Carrying amount of NCI (RM'000)	-	7	7
Loss allocated to NCI (RM'000)	(130)	(18)	(148)

The summary of financial information before intra-group elimination of the Group's subsidiary companies that have non-controlling interests are as below:

(i) Sentoria Utara Sdn. Bhd.

	2015 RM'000
Financial position as at reporting date	
Current assets	4,770
Current liabilities	(4,380)
Net assets	390
Summary of financial performance for the financial period ended 30 September	
Net loss/total comprehensive loss for the financial period	(9)
Summary of cash flows for the financial period ended 30 September	
Net cash used in operating activities	(4,700)
Net cash from financing activities	4,741
Net increase in cash and cash equivalents	41

8. SUBSIDIARY COMPANIES (Cont'd)

(c) Non-controlling interests ("NCI") in subsidiary companies (Cont'd)

Group (Cont'd)

The summary of financial information before intra-group elimination of the Group's subsidiary companies that have non-controlling interests are as below (Cont'd):

ii) Sentoria Langkawi Sdn. Bhd.

	2015 RM'000	2014 RM'000
Financial position as at reporting date		
Non-current assets	2,959	227
Current assets	5,433	4,166
Current liabilities	(8,412)	(4,367)
Net (liabilities)/assets	(20)	26
Summary of financial performance for the financial year/period ended 30 September		
Net loss/total comprehensive loss for the financial year/period	(47)	(73)
Summary of cash flows for the financial year/period ended 30 September		
Net cash from/(used in) operating activities	258	(4,228)
Net cash used in investing activities	(2,733)	(228)
Net cash from financing activities	2,470	4,465
Net (decrease)/increase in cash and cash equivalents	(5)	9

9. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets

	Group	
	2015 RM'000	2014 RM'000
At beginning of financial year	44,174	45,932
Transferred from profit or loss	5,444	6,963
Recognised in equity	-	(8,721)
At end of financial year	49,618	44,174

9. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

Deferred tax assets (Cont'd)

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

	Group	
	2015	**2014**
	RM'000	**RM'000**
Carrying amount of qualifying property, plant and equipment in excess of their tax base	(15,981)	(8,395)
Unabsorbed business losses	3,092	3,207
Unutilised capital allowances	13,375	5,478
Unutilised tax allowances	57,358	52,705
Revaluation of land and buildings	(8,567)	(8,721)
Other temporary differences	341	(100)
	49,618	44,174

Deferred tax liabilities

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At beginning of financial year	(3,160)	-	(1,855)	-
Transferred (to)/from profit or loss	(136)	16	-	-
Recognised in equity	(115)	(3,176)	(115)	(1,855)
At end of financial year	(3,411)	(3,160)	(1,970)	(1,855)

The balances in the deferred tax liabilities are made up of tax impact on temporary differences arising from:-

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Tax base of qualifying property, plant and equipment in excess of their carrying amount	(149)	16	-	-
Revaluation of land and buildings	(3,262)	(3,176)	(1,970)	(1,855)
	(3,411)	(3,160)	(1,970)	(1,855)

10. FIXED DEPOSITS WITH LICENSED BANKS / INVESTMENT IN SHORT TERM FUNDS / DEPOSITS WITH A LICENSED BANK

Group

The fixed deposits with licensed banks of RM4,999,000 (2014: RM11,734,000) are pledged to licensed banks for banking facilities granted.

The investment in short term funds of RM7,044,000 (2014: Nil) is pledged to a licensed bank as security for banking facilities granted to the Group. These funds are quoted equity instruments and releasable upon the full settlement of said facilities.

The deposits with a licensed bank of RM480,000 (2014: RM2,443,000) are pledged to a licensed bank as security for bank guarantee granted to the Group. These deposits are non-interest bearing and releasable upon the expiry of the said bank guarantee.

Company

Fixed deposits with licensed banks of RM1,365,973 (2014: RM5,225,000) and RM68,000 (2014: RM68,000) are pledged to licensed banks for banking facilities granted to the Company and its subsidiary companies respectively.

The investment in short term funds of RM7,044,000 (2014: Nil) is pledged to a licensed bank as security for banking facilities granted to the Company. These funds are quoted equity instruments and releasable upon the full settlement of said facilities.

11. GOODWILL ON CONSOLIDATION

	Group	
	2015	**2014**
	RM'000	**RM'000**
At beginning/end of financial year	3	3

12. AMOUNT DUE FROM CUSTOMERS

	Group	
	2015	**2014**
	RM'000	**RM'000**
Cost incurred to date	42,753	14,132
Attributable profits recognised to date	16,626	3,533
	59,379	17,665
Progress billings issued to date	(59,220)	(17,645)
Amount due from customers	159	20

13. INVENTORIES

	Group 2015 RM'000	Group 2014 RM'000
Food, beverage and other hotel supplies	2,552	3,546
Completed property held for sale	54	119
	2,606	3,665

14. TRADE RECEIVABLES

	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Trade receivables	83,159	52,413	84	88
Accrued billings	38,277	73,738	-	-
Retention sums	4,356	1,448	-	-
	125,792	127,599	84	88
Accumulated impairment loss				
At 1 October	(117)	(200)	(84)	(84)
Written off	-	83	-	-
At 30 September	(117)	(117)	(84)	(84)
	125,675	127,482	-	4

The normal trade credit terms granted by the Group and the Company range from 21 to 60 days (2014: 21 to 60 days).

Ageing analysis of trade receivables

The ageing analysis of the Group's and the Company's trade receivables (excluding accrued billings) is as follows:-

	Gross RM'000	Individually impaired RM'000	Net RM'000
Group			
2015			
Not past due	18,818	-	18,818
Past due 1-30 days	9,452	-	9,452
Past due 31-60 days	16,722	-	16,722
Past due more than 61 days	42,523	(117)	42,406
	87,515	(117)	87,398

14. TRADE RECEIVABLES (Cont'd)

Ageing analysis of trade receivables (Cont'd)

The ageing analysis of the Group's and the Company's trade receivables (excluding accrued billings) is as follows (Cont'd):-

	Gross RM'000	Individually impaired RM'000	Net RM'000
Group			
2014			
Not past due	39,567	-	39,567
Past due 1-30 days	2,454	-	2,454
Past due 31-60 days	11,231	-	11,231
Past due more than 61 days	609	(117)	492
	53,861	(117)	53,744
Company			
2015			
Past due more than 1 year	84	(84)	-
2014			
Past due more than 1 year	88	(84)	4

The Group and the Company have trade receivables amounting to RM68,580,000 and Nil (2014: RM14,177,000 and RM4,000) respectively that are past due at the reporting date but not impaired. No allowance has been made for these receivables 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.

15. OTHER RECEIVABLES

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Non-trade receivables	21,140	12,147	167	192
Deposits	5,863	7,338	31	2,395
Prepayments	7,183	5,769	2,607	3,848
	34,186	25,254	2,805	6,435

16. CASH AND BANK BALANCES

Included in cash and bank balances of the Group are monies held under Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act ,1966 amounting to RM9,616,000 (2014: RM4,822,000).

17. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2015	2014	2015	2014
	Unit '000	Unit '000	RM'000	RM'000
Authorised:-				
Ordinary shares of RM0.20 each				
At beginning of financial year	1,000,000	500,000	200,000	100,000
Created during the financial year	-	500,000	-	100,000
At end of financial year	1,000,000	1,000,000	200,000	200,000
Issued and fully paid:-				
Ordinary shares of RM0.20 each				
At beginning of financial year	440,000	440,000	88,000	88,000
Issued during the financial year				
- Exercise of warrants	44,111	-	8,822	-
At end of financial year	484,111	440,000	96,822	88,000

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 at the Company's shareholders' meetings and rank pari passu with regard to the Company's residual assets.

On 16 April 2014, the Company issued 88,000,000 bonus warrants ("Warrants") on the basis of one warrant for every five existing ordinary shares of RM0.20 each held in the Company.

These Warrants were admitted to the Official List and quoted on the Main Market of Bursa Malaysia Securities Berhad on 21 April 2014.

The main features of the Warrants are as follows:-

(a) each Warrant entitles the registered holder at any time during the exercise period to subscribe for one new ordinary share of RM0.20 each in the Company at an exercise price of RM0.60;

(b) the Warrants shall be exercisable at any time within 5 years commencing on and including the date of the issuance of the Warrants. Any Warrants which are not exercised during the exercise period shall thereafter lapse and cease to be valid;

(c) the exercise price and the number of Warrants are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions set out in the deed poll of 27 March 2014; and

(d) all new ordinary shares to be issued arising from the exercise of the Warrants shall rank pari passu in all respects with the then existing ordinary shares of the Company except that such new ordinary shares shall not be entitled to any dividends, rights, allotments and other distributions on or prior to the date of allotment of the new ordinary shares arising from the exercise of the Warrants.

17. SHARE CAPITAL (Cont'd)

44,111,104 Warrants were exercised during the financial year and as of 30 September 2015, 43,888,896 (2014: 88,000,000) Warrants remained unexercised.

18. SHARE PREMIUM AND TREASURY SHARES

	Group and Company	
	2015	2014
	RM'000	RM'000
Share premium		
At beginning of financial year	29,099	29,382
Exercise of warrants	17,645	-
Share issuance expenses	-	(283)
At end of financial year	46,744	29,099
Treasury shares		
At beginning of financial year	-	(1)
Disposed	-	1
At end of financial year	-	-

19. REVALUATION RESERVES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Non-distributable:-				
At beginning of financial year	65,277	-	33,368	-
Surplus on revaluation of land and buildings	2,296	77,174	2,296	35,223
Deferred taxation recognised in equity	(115)	(11,897)	(115)	(1,855)
Crystallisation of revaluation reserve	(580)	-	-	-
At end of financial year	66,878	65,277	35,549	33,368

20. BORROWINGS

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Current				
Secured				
Finance lease liabilities	857	1,005	9	17
Bank overdrafts	8,474	5,499	1,154	1,042
Bankers' acceptance	8,406	9,493	741	992
Term loans	2,699	2,566	123	116
	20,436	18,563	2,027	2,167
Non-current				
Secured				
Finance lease liabilities	1,154	1,420	-	10
Term loans	130,424	13,147	121,071	1,238
Medium term notes	-	120,000	-	120,000
	131,578	134,567	121,071	121,248
Total	152,014	153,130	123,098	123,415

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

The borrowings are secured by way of:-

(i) Pledge of fixed deposits with licensed banks/investment in short term funds;
(ii) Joint and several guarantee by certain Directors;
(iii) Corporate guarantees by the Company for banking facilities granted to subsidiary companies;
(iv) Corporate guarantees by the subsidiary companies for banking facilities granted to the Company; and
(v) Legal charges over freehold land and long term leasehold land under development.

The medium term notes ("MTN") were pursuant to a Medium Term Notes Programme. On 30 July 2015, the Company fully redeemed and cancelled these MTN of RM120 million. The coupon payment was payable semi-annually and bore interest ranging from 4.65% to 5.30% (2014: 4.65% to 5.30%) per annum.

The term loans and bank overdraft facilities bore interest ranging from 1.00% to 2.00% and 1.25% to 2.00% (2014: 1.00% to 1.55% and 1.25% to 2.00%) respectively per annum above the banks' base lending rates or cost of funds.

Bankers' acceptance was charged commission rates ranging from 4.90% to 6.08% (2014: 4.90% to 5.84%) per annum.

The term loans facilities of the Company were utilised by certain subsidiary companies.

20. BORROWINGS (Cont'd)

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Finance lease liabilities				
Minimum lease payments				
- not later than 1 year	937	1,113	9	18
- later than 1 year but less than 5 years	1,225	1,508	-	10
	2,162	2,621	9	28
Future finance charges	(151)	(196)	-	(1)
Present value of finance lease liabilities	2,011	2,425	9	27
Present value of finance lease liabilities				
- not later than 1 year	857	1,005	9	17
- later than 1 year but less than 5 years	1,154	1,420	-	10
	2,011	2,425	9	27

The finance lease liabilities of the Group and of the Company bore interest at rates ranging from 2.28% to 4.00% (2014: 2.28% to 4.00%) and 2.70% (2014: 2.70%) per annum respectively.

21. TRADE PAYABLES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Trade payables	36,013	35,907	-	-
Retention sums	10,968	9,599	257	274
	46,981	45,506	257	274

The normal trade credit terms granted to the Group and the Company range from 30 to 60 days (2014: 30 to 60 days).

22. OTHER PAYABLES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Non-trade payables	59,278	56,733	1,624	2,607
Accruals	49,341	70,172	1,438	109
Advances received	1,855	414	-	-
	110,474	127,319	3,062	2,716

22. OTHER PAYABLES (Cont'd)

Included in other payables of the Group and of the Company are amounts of:-

- RM300,000 (2014: RM300,000) and RM100,000 (2014: RM100,000) respectively which are due to companies in which certain Directors have interests.
- RM288,000 (2014: RM384,000) which are provisions of directors' fees.

Included in other payables of the Group is amount due to non-controlling interest of RM560,000 (2014: Nil).

All of the above amounts are non-trade in nature, unsecured, interest-free and repayable on demand.

23. AMOUNT DUE TO HOLDING COMPANY

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

24. REVENUE

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Sales of properties	122,764	142,936	-	-
Rendering of services	55,147	57,843	-	-
Contract revenue	41,714	17,665	-	-
Dividend income	-	-	50,000	10,000
Management fees	-	-	-	3,825
	219,625	218,444	50,000	13,825

25. COST OF SALES

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Sales of properties	65,835	81,563	-	-
Rendering of services	37,834	44,188	-	-
Contract cost	28,621	14,132	-	-
	132,290	139,883	-	-

26. PROFIT BEFORE TAX

Profit before tax has been determined after charging/crediting amongst other items the following:-

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
After charging:-				
Depreciation of investment properties	52	145	-	-
Auditor's remuneration				
- statutory audit	209	196	30	27
Bad debts written off	-	167	-	-
Biological assets written off	311	1,361	-	-
Depreciation of property, plant and equipment	11,291	9,822	273	188
Depreciation of biological assets	637	602	-	-
Directors' salaries and other benefits	4,516	4,301	233	2,383
Directors' fees	336	382	336	382
Impairment loss on land	-	305	-	-
Interest and commission expenses				
- bank overdraft	281	661	86	355
- bankers' acceptance	463	546	-	-
- finance lease	134	159	1	2
- term loans	8,549	5,538	1,353	94
Property, plant and equipment written off	7	2	-	-
Rental expenses - equipment	140	150	-	-
Rental expenses - premises	226	302	48	240
Rental expenses - staff quarters	10	9	-	-
And crediting:-				
Allowance for doubtful debts no longer required	-	83	-	-
Dividend income	-	-	50,000	10,000
Fair value gain on revaluation of investment properties	3,301	2,857	-	-
Gain on disposal of property, plant and equipment	161	274	8,338	10
Interest income				
- fixed deposits	376	154	176	103
- others	257	77	28	-
- short term funds	50	-	50	-
Rental income - premises	155	40	169	232

26. PROFIT BEFORE TAX (Cont'd)

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

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Executive:-				
Salaries and other emoluments	3,226	3,072	192	1,872
Bonus	806	768	16	256
Defined contribution plan	484	461	25	255
	4,516	4,301	233	2,383

	Group and Company	
	2015	2014
	RM'000	RM'000
Non-executive:-		
Fees - current financial year	336	384
Fees - over provision in prior financial year	-	(2)
Meeting allowances	56	53
	392	435

27. TAX EXPENSE

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Current tax expense	10,248	13,041	61	86
Under provision in prior financial years	68	413	-	346
Origination and reversal of temporary differences	(5,308)	(6,979)	-	-
	5,008	6,475	61	432

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

A subsidiary company is entitled to a tax exemption of an amount equivalent to 100% of its qualifying expenditure incurred within 10 years from the Year of Assessment ("YA") 2008 pursuant to the letter of approval dated 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.

The Group's unabsorbed business losses, unutilised capital allowances and unutilised tax allowances which can be carried forward to offset against future taxable profits amounted to approximately RM12,883,000 (2014: RM13,362,000), RM55,729,000 (2014: RM22,825,000) and RM238,992,000 (2014: RM219,604,000) respectively.

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

27. TAX EXPENSE (Cont'd)

A reconciliation of income tax expenses on profit before tax with the applicable statutory income tax rate is as follows:-

	Group		Company	
	2015	2014	2015	2014
	%	%	%	%
Applicable statutory income tax rate	25.0	25.0	25.0	25.0
Tax effects in respect of:-				
Expenses not deductible for tax purposes	6.0	11.8	2.2	6.4
Income not subject to tax	(6.1)	(9.2)	(27.1)	(30.4)
Unutilised investment tax allowances granted during the financial year	(8.6)	(14.2)	-	-
Under provision of taxation in prior financial years	0.2	1.2	-	4.2
(Under)/over provision of deferred tax in prior year	(3.0)	3.7	-	-
Average effective tax rate	13.5	18.3	0.1	5.2

28. EARNINGS PER SHARE

Basic earnings per ordinary share

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 as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Net profit attributable to equity holders of the Company	32,129	29,139
Weighted average number of ordinary shares in issue (unit'000)	460,499	440,000
Basic earnings per share (Sen)	6.98	6.62

Diluted earnings per ordinary share

For the purpose of calculating diluted earnings per ordinary share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares arising consequent to the exercise of warrants.

	Group	
	2015	2014
	RM'000	RM'000
Net profit attributable to equity holders of the Company	32,129	29,139
Weighted average number of ordinary shares in issue (unit'000)	481,080	458,047
Diluted earnings per share (Sen)	6.68	6.36

29. EMPLOYEES BENEFITS EXPENSES

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Directors' remuneration	4,516	4,301	233	2,383
Salaries, wages and other emoluments	29,641	30,097	542	476
Defined contribution plans	2,325	2,212	26	43
Social security contributions	253	280	1	2
Other staff related expenses	1,728	1,073	43	325
	38,463	37,963	845	3,229

30. CONTINGENT LIABILITIES

	Company	
	2015	2014
	RM'000	RM'000
Corporate guarantees given to licensed banks for facilities granted to and utilised by subsidiary companies	26,914	27,317

31. COMMITMENTS

	Group	
	2015	2014
	RM'000	RM'000
Capital commitments		
Authorised and contracted for:		
- property, plant and equipment	117,649	-
- biological assets	3,753	2,176
	121,402	2,176
Operating lease commitments		
Not later than 1 year	9,460	11,269
Later than 1 year but not later than 5 years	19,693	11,579
	29,153	22,848

32. RELATED PARTY DISCLOSURES

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

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Transaction with holding company:				
Rental expense payable	48	48	-	-
Transactions with subsidiary companies:				
(i) Management fee received	-	-	-	3,825
(ii) Dividend received	-	-	50,000	10,000
(iii) Rental income received	-	-	96	192
(iv) Accommodation paid	-	-	71	282
(v) Disposal of property, plant and equipment	-	-	8,760	-
Transactions with companies in which the Directors, Dato' Chan Kong San and Dato' Gan Kim Leong have interests:				
(i) Rental expenses payable to Bukit Gambang Capital Sdn. Bhd.	444	542	-	-
(ii) Sales to Imperia Academy of Tourism Sdn. Bhd.	686	413	-	-
(iii) Staff training and development provided by Imperia Academy of Tourism Sdn. Bhd.	82	1	-	-
(iv) Rental income receivable from Imperia Academy of Tourism Sdn. Bhd.	86	-	-	-
Transactions with company and persons in which connected to Dato' Gan Kim Leong:				
(i) Rental expenses payable to connected persons	45	48	-	-
(ii) Tax consulting fee paid to BDO Taxation Services Sdn Bhd	292	61	230	9

(b) Key management personnel are those Directors of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, either directly or indirectly. Directors' remuneration is disclosed in Notes 26 and 29 to the Financial Statements.

33. DIVIDENDS

	RM
2015:	
Interim single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2014 paid on 16 January 2015	4,540,995
Final single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2014 paid on 11 June 2015	4,641,111
	9,182,106
2014:	
Interim single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2013 paid on 15 January 2014	4,400,000
Final single tier dividend of RM0.01 per ordinary share in respect of financial year ended 30 September 2013 paid on 28 May 2014	4,400,000
	8,800,000

34. FINANCIAL INSTRUMENTS

Categories of financial instruments

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

(i) Loans and receivables ("L&R");
(ii) Available-for-sale financial assets ("AFS"); and
(iii) Other liabilities measured at amortised cost ("AC")

Group	Carrying amount RM'000	L&R RM'000	AFS RM'000	AC RM'000
2015				
Financial assets				
Trade and other receivables	152,678	152,678	-	-
Fixed deposits/ deposits with licensed banks	5,479	5,479	-	-
Investment in short term funds	7,044	-	7,044	-
Cash and bank balances	12,923	12,923	-	-
	178,124	171,080	7,044	-
Financial liabilities				
Borrowings	152,014	-	-	152,014
Trade and other payables	155,600	-	-	155,600
Amount due to holding company	12	-	-	12
	307,626	-	-	307,626

34. FINANCIAL INSTRUMENTS (Cont'd)

Categories of financial instruments (Cont'd)

Group (Cont'd)	**Carrying amount RM'000**	**L&R RM'000**	**AFS RM'000**	**AC RM'000**
2014				
Financial assets				
Trade and other receivables	146,967	146,967	-	-
Fixed deposits/ deposits with licensed banks	14,177	14,177	-	-
Cash and bank balances	16,014	16,014	-	-
	177,158	177,158	-	-
Financial liabilities				
Borrowings	153,130	-	-	153,130
Trade and other payables	172,411	-	-	172,411
Amount due to holding company	350	-	-	350
	325,891	-	-	325,891
Company				
2015				
Financial assets				
Trade and other receivables	198	198	-	-
Amount due from subsidiary companies	295,151	295,151	-	-
Fixed deposits with licensed banks	1,434	1,434	-	-
Investment in short term funds	7,044	-	7,044	-
Cash and bank balances	1,018	1,018	-	-
	304,845	297,801	7,044	-
Financial liabilities				
Borrowings	123,098	-	-	123,098
Trade and other payables	3,319	-	-	3,319
Amount due to subsidiary companies	18,637	-	-	18,637
	145,054	-	-	145,054
2014				
Financial assets				
Trade and other receivables	2,591	2,591	-	-
Amount due from subsidiary companies	236,027	236,027	-	-
Fixed deposits with licensed banks	5,293	5,293	-	-
Cash and bank balances	585	585	-	-
	244,496	244,496	-	-
Financial liabilities				
Borrowings	123,415	-	-	123,415
Trade and other payables	2,990	-	-	2,990
Amount due to holding company	350	-	-	350
Amount due to subsidiary companies	17,352	-	-	17,352
	144,107	-	-	144,107

34. FINANCIAL INSTRUMENTS (Cont'd)

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 their risks. The Group and the Company operate within policies that are approved by the Board 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:-

34.1 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 and other 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 mitigating 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.

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

i. Receivables

At the reporting date, 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 are past due but not impaired are disclosed in Note 14 to the Financial Statements.

In respect of trade receivables, the Group has significant concentration of credit risk of which RM45,955,261 (2014: RM12,365,846) were due from 1 (2014: 1) receivable. As at the reporting date, there was no indication that this receivable is not recoverable.

In respect of other receivables, the Group has significant concentration of credit risk of which RM14,014,514 (2014: RM10,050,720) were due from 2 (2014: 1) receivables. As at the reporting date, there was no indication that these receivables are not recoverable.

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 neither past due nor impaired to be good.

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management (Cont'd)

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 (Cont'd):-

34.1 Credit risk (Cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (Cont'd):

ii. Intercompany balances

The maximum exposure to credit risk for intercompany balances 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 reporting date, 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 RM26,914,000 (2014: RM27,317,000) in respect of corporate guarantees given to financial institutions for facilities granted to and utilised by 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. At the reporting date, there was no indication that the subsidiary companies would default on repayment.

34.2 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.

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management (Cont'd)

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 (Cont'd):-

34.2 Interest rate risk (Cont'd)

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 year are as follows:-

	Group RM'000	Company RM'000
2015		
Fixed rate instruments		
Fixed deposits with licensed banks	4,999	1,434
Finance lease liabilities	2,011	9
Floating rate instrument		
Borrowings	150,003	123,089
2014		
Fixed rate instruments		
Fixed deposits with licensed banks	11,734	5,293
Finance lease liabilities	2,425	27
Floating rate instrument		
Borrowings	150,705	123,388

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 financial year 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.

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.

	Profit for the financial year			
	Group		Company	
	RM'000 +0.5%	RM'000 -0.5%	RM'000 +0.5%	RM'000 -0.5%
Floating rate instrument				
30 September 2015	(750)	750	(615)	615
30 September 2014	(754)	754	(617)	617

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management (Cont'd)

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 (Cont'd):-

34.3 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 their financial obligations as and when they fall due, due to shortage of funds.

In managing their exposures to liquidity and cash flow risks arises principally from their 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.

At the end of the reporting year, 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**	
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 2 to 5 years**	**More than 5 years**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2015					
Secured:					
Borrowings	152,014	181,257	28,755	123,011	29,491
Unsecured:					
Trade payables	46,981	46,981	46,981	-	-
Other payables	108,619	108,619	108,619	-	-
Amount due to holding company	12	12	12	-	-
	155,612	155,612	155,612	-	-
Total	307,626	336,869	184,367	123,011	29,491
2014					
Secured:					
Borrowings	153,130	188,484	25,797	103,500	59,187
Unsecured:					
Trade payables	45,506	45,506	45,506	-	-
Other payables	126,905	126,905	126,905	-	-
Amount due to holding company	350	350	350	-	-
	172,761	172,761	172,761	-	-
Total	325,891	361,245	198,558	103,500	59,187

34. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management (Cont'd)

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 (Cont'd):-

34.3 Liquidity and cash flow risks (Cont'd)

At the end of the reporting year, the Group's and the Company's non-derivative financial liabilities which have contractual maturities (including interest payments) are summarised below (cont'd):-

			Company		
			Current	**Non-current**	
	Carrying amount	**Contractual cash flows**	**Less than 1 year**	**Between 2 to 5 years**	**More than 5 years**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2015					
Secured:					
Borrowings	123,098	149,499	9,367	113,779	26,353
Unsecured:					
Trade payables	257	257	257	-	-
Other payables	3,062	3,062	3,062	-	-
Amount due to subsidiary companies	18,637	18,637	18,637	-	-
	21,956	21,956	21,956	-	-
Total	145,054	171,455	31,323	113,779	26,353
2014					
Secured:					
Borrowings	123,415	154,814	8,267	91,801	54,746
Unsecured:					
Trade payables	274	274	274	-	-
Other payables	2,716	2,716	2,716	-	-
Amount due to holding company	350	350	350	-	-
Amount due to subsidiary companies	17,352	17,352	17,352	-	-
	20,692	20,692	20,692	-	-
Total	144,107	175,506	28,959	91,801	54,746

35. FAIR VALUE 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.

The fair values of financial assets at AFS are detailed as below:-

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (that is derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Group and Company			
	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Available for sale investments				
2015	7,044	-	-	7,044

36. 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 current financial year.

37. OPERATING SEGMENT

Business segments

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 arm's length basis.

	Note	Property development RM'000	Leisure and hospitality RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
2015						
Revenue						
External revenue		164,478	55,147	-	-	219,625
Inter-segment	A	-	1,379	50,000	(51,379)	-
		164,478	56,526	50,000	(51,379)	219,625
Results						
Segment profit	B	44,335	(3,420)	55,587	(48,829)	47,673
Interest income		411	18	254	-	683
Finance costs		(6,319)	(3,164)	(1,750)	-	(11,233)
Depreciation		(2,012)	(9,695)	(273)	-	(11,980)
Taxation		(10,102)	5,022	(61)	133	(5,008)
Other non-cash (expenses)/income	C	-	(318)	3,301	-	2,983
Assets						
Segment assets	D	272,055	305,301	64,290	-	641,646
Additions to non-current assets	E	4,875	16,129	38	-	21,042
Liabilities						
Segment liabilities	F	122,037	32,111	3,319	-	157,467

37. OPERATING SEGMENT (Cont'd)

Business segments (Cont'd)

	Note	Property development RM'000	Leisure and hospitality RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
2014						
Revenue						
External revenue		160,601	57,843	-	-	218,444
Inter-segment	A	-	1,395	13,825	(15,220)	-
		160,601	59,238	13,825	(15,220)	218,444
Results						
Segment profit	B	50,050	(5,373)	8,659	(10,946)	42,390
Interest income		128	-	103	-	231
Finance costs		(394)	(6,260)	(501)	-	(7,155)
Depreciation		(1,598)	(8,783)	(188)	-	(10,569)
Taxation		(12,996)	7,053	(432)	(100)	(6,475)
Other non-cash income/ (expenses)	C	(305)	1,410	-	-	1,105
Assets						
Segment assets	D	262,294	298,770	54,000	-	615,064
Additions to non-current assets	E	10,135	41,770	200	(1,452)	50,653
Liabilities						
Segment liabilities	F	132,910	22,570	17,695	-	173,175

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

A. Intersegment revenues were eliminated on consolidation.

B. The following items were added to/(deducted from) segment profit to arrive at "profit before tax" presented in the consolidated statements of profit or loss and other comprehensive income:-

	2015 RM'000	2014 RM'000
Segment profit	47,673	42,390
Interest income	683	231
Finance costs	(11,233)	(7,155)
	37,123	35,466

37. OPERATING SEGMENT (Cont'd)

Business segments (Cont'd)

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

	2015 RM'000	2014 RM'000
Allowance for doubtful debts no longer required	-	83
Bad debts written off	-	(167)
Biological assets written off	(311)	(1,361)
Fair value gain on revaluation of investment properties	3,301	2,857
Impairment loss on land	-	(305)
Property, plant and equipment written off	(7)	(2)
	2,983	1,105

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

	2015 RM'000	2014 RM'000
Segment assets	641,646	615,064
Deferred tax assets	49,618	44,174
Total assets	691,264	659,238

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

	2015 RM'000	2014 RM'000
Property, plant and equipment	20,001	49,007
Biological assets	1,041	1,646
	21,042	50,653

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

	2015 RM'000	2014 RM'000
Segment liabilities	157,467	173,175
Borrowings	152,014	153,130
Tax payable	2,009	5,091
Deferred tax liabilities	3,411	3,160
Total liabilities	314,901	334,556

37. OPERATING SEGMENT (Cont'd)

Business segments (Cont'd)

Geographical segment

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

Major customers

The Group does not have any revenue from any single external customer which represents 10% or more of the Group's revenue other than Customer A from property development revenue segment amounting to RM41,714,000 (2014: Nil).

38. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 2 January 2015, Sentoria Utara Sdn. Bhd., a 75% owned subsidiary company of the Company had entered into a Sale and Purchase Agreement with third party to acquire 3 parcels of land, measuring approximately 304,605 acres for a purchase consideration of RM46 million, RM4.6 million had been paid as at the reporting date. The transaction has yet to be completed as at to-date.

(b) On 30 July 2015, the Company had fully redeemed its RM120 million of medium term notes.

39. DISCLOSURE OF REALISED AND UNREALISED PROFITS

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

The breakdown of retained profits as at reporting date which has been prepared by the Directors in accordance with the above directives from Bursa Malaysia Securities Berhad 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	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total retained profits of the Group and of the Company				
- Realised	122,054	103,591	58,374	13,525
- Unrealised	58,036	52,911	-	-
	180,090	156,502	58,374	13,525
Consolidation adjustments	(14,264)	(14,203)	-	-
	165,826	142,299	58,374	13,525

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

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 / 18.08.2014	558,466	Leasehold 99 years / Expiring on 27.03.2107	105,839,824
2	Master Title No. 3212-3224, 3236-3242, 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 / 18.08.2014	406,700	Freehold	64,012,530
3	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 hotel suites and ten (10) units of penthouse suites together with basement level car park, commercial area and parking lots	14.09.2012 / 18.08.2014	33,661	Leasehold 99 years / Expiring on 27.03.2107	53,390,769
4	Lot 8578, 8579 and part of lot 8110 of Block 9 Salak Land District, Kuching, Sarawak	Land held for development / On-going and future mixed development project known as Sentoria Samariang Resort City	30.09.2014	2,023,413	Leasehold 99 years / Expired on 08.04.2098	51,015,992
5	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 / 18.08.2014	287,327	Leasehold 99 years / Expiring on 27.03.2107	43,986,691
6	Jalan TIS 1, Taman Indera Sempurna, 25150 Kuantan, Pahang Darul Makmur	108 rooms budget hotel consisting of three (3) blocks 3-storey buildings known as Sempurna Resort	28.10.2009 / 18.08.2014	5,901	Leasehold 99 years / Expiring on 11.09.2106	12,687,589
7	Part of HSD 30046 PT 2227, Mukim of Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Land held for development / Future development within Bukit Gambang Safari Park	30.06.2014 / 18.08.2014	234,718	Leasehold 99 years / Expiring on 27.03.2107	12,543,655
8	HSD 44567 PT4380, Mukim Ulu Lepar, District of Kuantan, State of Pahang Darul Makmur	Land held for development / On-going and future mixed development project known as Taman Bukit Gambang	09.06.2014	323,749	Leasehold 99 years / Expiring on 06.03.2113	11,334,231
9	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 / 18.08.2014	14,566	Leasehold 99 years / Expiring on 27.03.2107	9,752,352
10	Global Heritage, Bukit Gambang Resort City, 26300 Kuantan, Pahang Darul Makmur	6 units of 3-storey bungalow house and 6 units of 2-storey bungalow house, known as San Francisco and Amsterdam	30.09.2015	2,413	Freehold	8,760,000

SHARE CAPITAL

Authorised Share Capital	:	RM 200,000,000
Issued and Paid Up Share Capital	:	RM 96,822,220.80
Type of Shares	:	Ordinary share of RM 0.20 each
Voting Rights	:	One vote per shareholder on a show of hands One vote per ordinary share on a poll
No. of Shareholders	:	972

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Shares	%
1 – 99	46	4.732	1,613	0.000
100 – 1,000	218	22.427	81,610	0.016
1,001 – 10,000	390	40.123	1,879,825	0.388
10,001 – 100,000	224	23.045	6,484,270	1.339
100,001 – 24,205,554*	90	9.259	121,658,986	25.130
24,205,555 and above**	4	0.411	354,004,800	73.124
Total	**972**	**100.000**	**484,111,104**	**100.000**

Notes:-

* *less than 5% of issued shares*
** *5% and above of issued shares*

LIST OF TOP THIRTY (30) SHAREHOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Shareholdings	%
1	Sentoria Capital Sdn Bhd	244,778,000	50.562
2	State Secretary, Pahang	55,600,000	11.484
3	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Sentoria Capital Sdn Bhd (021)*	28,626,800	5.913
4	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd *Seriemas Development Sdn Bhd for Sentoria Capital Sdn Bhd*	25,000,000	5.164
5	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt an for AIA Bhd*	20,661,600	4.267
6	Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang	11,000,000	2.272
7	LKPP Corporation Sdn Bhd	10,950,000	2.261
8	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chin Yong Sang*	6,353,606	1.312
9	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Goh Chun Chong*	5,167,750	1.067
10	Tan Siew Bee	4,141,600	0.855
11	Citigroup Nominees (Tempatan) Sdn Bhd *Kumpulan Wang Persaraan (Diperbadankan) (RHB INV)*	4,000,000	0.826

Analysis of Shareholdings
As at 15 January 2016

LIST OF TOP THIRTY (30) SHAREHOLDERS (Cont'd)
(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Shareholdings	%
12	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Bank AG Singapore for KSC (S) Pte Ltd (Lee Hau Hian)*	3,679,000	0.759
13	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund*	3,500,000	0.722
14	Citigroup Nominees (Asing) Sdn Bhd *CEP for PHEIM SICAV-SIF*	3,429,000	0.708
15	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Exempt an for Kumpulan Sentiasa Cemerlang Sdn Bhd (TSTAC/CLNT)*	3,081,000	0.636
16	Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (PHEIM)*	2,942,000	0.607
17	Cartaban Nominees (Tempatan) Sdn Bhd *TMF Trustees Malaysia Berhad for RHB-OSK Private Fund-Series 6*	2,461,000	0.508
18	Beh Eng Par	2,356,000	0.486
19	Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for RHB Capital Fund (200189)*	2,268,600	0.468
20	Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (LEEF)*	2,260,500	0.466
21	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investments Growth Fund*	2,200,000	0.454
22	Hong Leong Assurance Berhad as Beneficial Owner (Unitlinked BCF)	2,026,800	0.418
23	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investmentsmy Focus Fund*	2,000,000	0.413
24	Maybank Nominees (Tempatan) Sdn Bhd *Maybank Trustees Berhad for Public Aggressive Growth Fund (N14011940110)*	1,624,100	0.335
25	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investments Balanced Fund*	1,600,000	0.330
26	Amanahraya Trustees Berhad *Amanah Saham Sarawak*	1,400,000	0.289
27	Goh Chun Seng	1,180,000	0.243
28	RHB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chin Yong Sang*	1,008,700	0.208
29	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Deutsche Trustees Malaysia Berhad for Eastspring Investments Dynamic Fund*	700,000	0.144
30	Lim Han Joeh	632,600	0.130
	TOTAL	**456,628,656**	**94.323**

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest No. of Shares	Direct Interest %	Indirect Interest No. of Shares	Indirect Interest %
Sentoria Capital Sdn Bhd	298,404,800	61.639	-	-
Dato' Chan Kong San	-	-	298,404,800^	61.639
Dato' Gan Kim Leong	-	-	298,404,800^	61.639
State Secretary, Pahang	55,600,000	11.484	-	-

Notes:-

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

DIRECTORS' SHAREHOLDINGS

Name	Direct Interest No. of Shares	Direct Interest %^	Indirect Interest No. of Shares	Indirect Interest %^
Dato' Chan Kong San	-	-	298,404,800^	61.639
Dato' Gan Kim Leong	-	-	298,404,800^	61.639

Notes:-

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

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 15 January 2016.

Analysis of Warrant Holdings

As at 15 January 2016

WARRANT A

Rights Issue of Warrants 2014/2019	:	88,000,000
No. of Warrants Unexercised	:	43,888,896
Exercise Price of the Warrants	:	RM0.60
Exercise Period	:	From the date of issuance of 16 April 2014 to the expiry date on 15 April 2019
Expiry Right	:	Each Warrant entitles the holder during the Exercise Period to subscribe for one (1) new ordinary share of RM0.20 each at the Exercise Price

ANALYSIS OF WARRANT HOLDINGS

Size of Warrant Holdings	No. of Holders	%	No. of Warrants	%
1 – 99	227	29.102	11,771	0.026
100 – 1,000	204	26.153	84,807	0.193
1,001 – 10,000	229	29.358	853,890	1.945
10,001 – 100,000	96	12.307	2,896,022	6.598
100,001 – 2,194,443*	21	2.692	8,355,520	19.037
2,194,444 and above**	3	0.384	31,686,886	72.197
Total	**780**	**100.000**	**43,888,896**	**100.000**

Notes:-

* *less than 5% of issued warrants*
** *5% and above of issued warrants*

LIST OF TOP THIRTY (30) WARRANT HOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Warrant Holdings	%
1	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Sentoria Capital Sdn Bhd (021)*	19,356,486	44.103
2	Sentoria Capital Sdn Bhd	7,330,400	16.702
3	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd *Seriemas Development Sdn Bhd for Sentoria Capital Sdn Bhd*	5,000,000	11.392
4	LKPP Corporation Sdn Bhd	2,190,000	4.989
5	Goh Chun Seng	1,144,000	2.606
6	HSBC Nominees (Asing) Sdn Bhd *Exempt an for Credit Suisse (SG BR-TST-ASING)*	1,038,200	2.365
7	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Goh Chun Chong*	765,250	1.743
8	DB (Malaysia) Nominee (Asing) Sdn Bhd *Deutsche Bank AG Singapore for IAM Traditional Asian Growth Fund*	500,000	1.139
9	Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (LEEF)*	324,300	0.738
10	Seah Sook Sun	255,300	0.581

LIST OF TOP THIRTY (30) WARRANT HOLDERS (Cont'd)
(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	Warrant Holdings	%
11	Chong Chin Loong	237,900	0.542
12	RHB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Loh Yong Huat*	201,000	0.457
13	Affin Hwang Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Teo Su Lian @ Tiew Su Lian (TEO0865C)*	194,000	0.442
14	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chin Yong Sang*	170,200	0.387
15	Maybank Nominees (Tempatan) Sdn Bhd *Yong Sin Yian*	162,500	0.370
16	Gan Songzhuo	155,000	0.353
17	Mercsec Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Ho Lih Meng*	150,000	0.341
18	Maybank Securities Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Lee Tian Fatt (REM 878-Margin)*	149,000	0.339
19	K Malathi A/P G Kesavan Nair	139,900	0.318
20	Soon Kwee Lan	137,100	0.312
21	Ong Khoon Liang	114,200	0.260
22	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB Bank for Yeo Ann Seck (MY0696)*	111,000	0.252
23	Affin Hwang Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Lim Wai Leng (M09)*	110,370	0.251
24	Tan Siew Bee	106,300	0.242
25	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Chan Yok Lin (MD0093)*	100,000	0.227
26	CIMSEC Nominees (Tempatan) Sdn Bhd *CIMB Bank for Goh Chun Chong (MY1416)*	98,580	0.224
27	Goh Chun Seng	88,044	0.200
28	Ho Swee Hwa	88,000	0.200
29	Gan Song Beng	72,644	0.165
30	Soo Hoo Mei Fuan	72,000	0.164
	TOTAL	**40,561,674**	**92.418**

Analysis of Warrant Holdings
As at 15 January 2016

DIRECTORS' WARRANT HOLDINGS

	Direct Interest		Indirect Interest	
Name	No. of Warrants	%^	No. of Warrants	%^
Dato' Chan Kong San	-	-	31,686,886^	72.197
Dato' Gan Kim Leong	-	-	31,686,886^	72.197

Notes:-

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

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting ("17th AGM") 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 Friday, 18 March 2016 at 10.30 a.m. to transact the following businesses:-

A G E N D A

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 September 2015 together with the Directors' and Auditors' reports thereon. ***(Please refer to Explanatory Note A)***

2. To approve the payment of final single tier dividend of 1 sen per share for the financial year ended 30 September 2015. ***Resolution 1***

3. To approve the payment of Directors' fees of RM336,000-00 for the financial year ended 30 September 2015. ***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. Y. Bhg. Dato' Gan Kim Leong ***Resolution 3***

   ii. Mr. Wong Yoke Nyen ***Resolution 4***

5. To re-elect Y. Bhg. Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad who retires by rotation and being eligible, offers himself for re-election in accordance with Article 93 of the Company's Articles of Association. ***Resolution 5***

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. ***Resolution 6***

AS SPECIAL BUSINESS

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

7. **Ordinary Resolution** ***Resolution 7***
   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."

8. **Ordinary Resolution** ***Resolution 8***
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 compliance with the Companies Act, 1965 ("Act"), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, approval be and is hereby given to the Company to purchase such amount of ordinary shares of RM0.20 each in the Company, as may be determined by the Directors of the Company from time to time from the market of Bursa Securities provided that:-

i the aggregate number of shares purchased does not exceed ten percent (10%) of the issued and paid up share capital of the Company ("Purchased Shares") at the point of purchase; and

ii the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate amount of the share premium and retained earnings of the Company at the time of the purchase(s);

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 upon the completion of the purchase(s) of the Purchased Shares by the Company, the Directors be and are empowered to retain the Purchased Shares as treasury shares and/or to cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or to retain part of the Purchased Shares in such other manner as may be prescribed by the Act and the relevant rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company (including executing all such documents as may be required) to give full effect to the Proposed Renewal of Share Buy-Back Authority contemplated and/or authorised by this Ordinary Resolution."

9. **Ordinary Resolution** ***Resolution 9***
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of A Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate")

"**THAT** subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries ("Sentoria Group") to enter into and give effect to specified recurrent related party transactions of a revenue or trading nature of the Sentoria Group with specified classes of Related Parties (as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as specified in Section 2.3.1 of the Circular to Shareholders dated 25 February 2016 which are necessary for the day to day operations in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Sentoria Group on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to minority shareholders of the Company and such approval shall continue to be in force until:-

i the conclusion of the next Annual General Meeting of the Company ("AGM") at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

ii the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

iii revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier,

AND THAT authority be and is hereby given to the Directors of the Company and/or any of them to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

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

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 2015, if approved by shareholders at the 17th AGM, will be paid on 16 June 2016 to the depositors whose names appear in the Record of Depositors of the Company at the close of business on 18 May 2016.

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 18 May 2016 in respect of the transfers; and

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

By Order of the Board

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

Seri Kembangan, Selangor Darul Ehsan
Date: 25 February 2016

Notice of Annual General Meeting

Notes:

1. *In regard of deposited securities, only members whose names appear in the Record of Depositors as at 14 March 2016 ("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 (2) proxies to attend and vote in his/her 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/she specifies the proportion of his/her 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 Note A:-

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.

Explanatory Notes on Special Business:-

1. Ordinary Resolution 7 - Authority to Directors to issue shares

The proposed Resolution 7, 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 Sixteenth Annual General Meeting held on 26 March 2015 (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.

2. Ordinary Resolution 8 - Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 8, 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. The details of the proposal are set out in the Statement to Shareholders dated 25 February 2016, which is dispatched together with the Company's 2015 Annual Report.

3. Ordinary Resolution 9 - Proposed Renewal of Shareholders' Mandate

The proposed Ordinary Resolution 9, if approved, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue and trading nature relating to sale of properties by the Sentoria Group to related parties. The details of the proposal are set out in the Circular to Shareholders dated 25 February 2016, which is dispatched together with the Company's 2015 Annual Report.

SENTORIA
Live Rewarded

SENTORIA GROUP BERHAD

(463344-K)
(Incorporated in Malaysia)

FORM OF PROXY

Number of ordinary shares held

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 Seventeenth 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 Friday, 18 March 2016 at 10.30 a.m. and at any adjournment thereof. My/Our proxy is to vote as indicated below:-

No.	Resolution	For	Against
1.	Final single tier dividend of 1 sen per share		
2.	To approve the payment of Directors' fees for the financial year ended 30 September 2015.		
3.	To re-elect Y. Bhg. Dato' Gan Kim Leong as Director.		
4.	To re-elect Mr. Wong Yoke Nyen as Director.		
5.	To re-elect Y. Bhg. Dato' Hj. Abdul Rahman Bin Hj. Imam Arshad as Director.		
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.		
Special Business			
7.	**Ordinary Resolution:** To authorise the Directors to allot and issue shares.		
8.	**Ordinary Resolution:** To approve the Proposed Renewal of Share Buy-Back Authority.		
9.	**Ordinary Resolution:** To approve the Proposed Renewal of Shareholders' Mandate.		

(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 ______________, 2016

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

Fold This Flap For Sealing

Then Fold Here

AFFIX
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* ***14 March 2016*** *("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/her 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/she specifies the proportion of his/her 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.*

SENTORIA
Live Rewarded

Head Office:

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