BERTAM ALLIANCE BERHAD

305530-A

ANNUAL REPORT 2013

CONTENTS

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth Annual General Meeting of the Company will be held at Crystal Hall 3, Level 4, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on **Friday, 20 June 2014** at **11.00 a.m.**, to transact the following businesses:

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 and the Reports of Directors and Auditors thereon. *(Please refer Explanatory Note 1)*

2. To re-elect Low Yew Hwa who retires by rotation pursuant to Article 91 of the Company's Articles of Association. *(Ordinary Resolution 1)*

3. To re-elect Wu Ching Min @ Goh Ching Min who retires pursuant to Article 96 of the Company's Articles of Association. *(Ordinary Resolution 2)*

4. To approve the payment of Directors' Fees of RM166,250.00 for the financial year ended 31 December 2013. *(Ordinary Resolution 3)*

5. To re-appoint Messrs Styl Associates as Auditors of the Company for the financial year ending 31 December 2014 and authorise the Directors to fix their remuneration. *(Ordinary Resolution 4)*

AS SPECIAL BUSINESS:

6. To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications:

   AUTHORITY TO ISSUE SHARES

   "THAT subject always to the Companies Act, 1965, Articles of Association of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act, 1965 to issue and allot not more than ten percent (10%) of the issued capital of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof." *(Ordinary Resolution 5)*

7. To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications:

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.3(a) of the Circular to Shareholders dated 29 May 2014 ("the Related Parties") provided that such transactions are:- *(Ordinary Resolution 6)*

(a) necessary for the day-to-day operations;
(b) undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
(c) are not prejudicial to the minority shareholders of the Company

("the Shareholders' Mandate").

THAT such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which the Shareholders' Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
(b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
(c) is revoked or varied by resolution passed by shareholders in a general meeting,

whichever is earlier.

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

8. To consider and if thought fit, to pass the following Ordinary Resolution, with or without modifications:

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject to the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Section 2.3(b) of the Circular to Shareholders dated 29 May 2014 ("the Related Parties") provided that such transactions are:- *(Ordinary Resolution 7)*

(a) necessary for the day-to-day operations;
(b) undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
(c) are not prejudicial to the minority shareholders of the Company

("the Shareholders' Mandate").

THAT such approval shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this AGM at which the Shareholders' Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at the next AGM;
(b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Companies Act ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
(c) is revoked or varied by resolution passed by shareholders in a general meeting,

whichever is earlier.

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

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

By Order of the Board
KUAN HUI FANG (MIA 16876)
WONG WAI FOONG (MAICSA 7001358)
Secretaries
Kuala Lumpur
29 May 2014

Notes:

i. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 16 June 2014. Only a Member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, speak or vote on his/her behalf.

ii. A member entitled to attend and vote at this meeting is entitled to appoint proxy/proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

iii. A member may appoint not more than two (2) proxies to attend the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.

iv. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

v. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

vi. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

vii. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Company's Share Registrar at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

Explanatory Notes:

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

2. **Ordinary Resolution 2**
   Wu Ching Min @ Goh Ching Min is standing for re-election as Director of the Company and being eligible, has offered himself for re-election at this Twentieth Annual General Meeting. The Board has conducted as assessment on the independence of Wu Ching Min @ Goh Ching Min and is satisfied that he has complied with the independence criteria applied by the Company.

3. **Ordinary Resolution 5**
   The proposed resolution, if passed, will give flexibility to the Directors to issue shares to such persons at any time in their absolute discretion without convening a general meeting. This authorisation will expire at the conclusion of next Annual General Meeting of the Company.

   This is a renewal of the mandate obtained from the members at the last Annual General Meeting ("the previous mandate"). The previous mandate was not utilised and accordingly no proceeds were raised.

   The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

4. **Ordinary Resolution 6**
   The proposed ordinary resolution, if passed, will allow the Group to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms and which are not prejudicial to the interests of the minority shareholders. For more information, please refer to the Circular to Shareholders dated 29 May 2014.

5. **Ordinary Resolution 7**
   The proposed ordinary resolution, if passed, will allow the Group to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms and which are not prejudicial to the interests of the minority shareholders. For more information, please refer to the Circular to Shareholders dated 29 May 2014.

CORPORATE INFORMATION

BOARD OF DIRECTORS

WU CHING MIN @ GOH CHING MIN	*Chairman/ Independent Non-Executive Director*
TAN AI TONG	*Managing Director*
LOW YEW HWA	*Executive Director*
KHOO HUI GIOK	*Non-Independent Non-Executive Director*
HAMDAN BIN YAHYA	*Independent Non-Executive Director*

AUDIT COMMITTEE

HAMDAN BIN YAHYA *Chairman*
KHOO HUI GIOK *Member*
WU CHING MIN @ GOH CHING MIN *Member*

NOMINATION COMMITTEE

WU CHING MIN @ GOH CHING MIN *Chairman*
HAMDAN BIN YAHYA *Member*
KHOO HUI GIOK *Member*

REMUNERATION COMMITTEE

HAMDAN BIN YAHYA *Chairman*
LOW YEW HWA *Member*
KHOO HUI GIOK *Member*

COMPANY SECRETARIES

KUAN HUI FANG *MIA 16876*
WONG WAI FOONG *MAICSA 7001358*

REGISTERED OFFICE

Level 18, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur, Malaysia
Telephone : 603-2264 8888
Facsimile : 603-2282 2733

SHARE REGISTRAR

TRICOR INVESTOR SERVICES SDN BHD
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur, Malaysia
Telephone : 603-2264 3883
Facsimile : 603-2282 1886

AUDITORS

STYL ASSOCIATES
Chartered Accountants
107-B, Jalan Aminuddin Baki
Taman Tun Dr. Ismail
60000 Kuala Lumpur

BUSINESS ADDRESS

Brem House, Level 3
Crystal Crown Hotel
No. 12, Lorong Utara A
Off Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Telephone : 603-7958 7288
Facsimile : 603-7955 4520
Website : ir.chartnexus.com/bertamalliance/

PRINCIPAL BANKERS

CIMB BANK BERHAD
HONG LEONG BANK BERHAD
MALAYAN BANKING BERHAD
PUBLIC BANK BERHAD
UNITED OVERSEAS BANK (M) BERHAD

SOLICITORS

CHEAH, TEH & SU
PUSPANATHAN SELLAM
SOO THIEN MING & NASHRAH
TH MOI & ASSOCIATES
CK OON & CO.

STOCK EXCHANGE LISTING

BURSA MALAYSIA SECURITIES BERHAD
Main market
Stock Code : 9814

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statement of the Group and Company for the financial year ended 31 December 2013.

FINANCIAL PERFORMANCE

For the financial year end on 31 December 2013, the Group registered revenue of RM32.104 million against RM41.301 million achieved in 2012. Profit before tax was RM4.784 million which was lower than the RM15.206 million recorded in 2012. The decline in financial results was mainly due to the lower activities from development projects and construction work. Net Assets per share attributable to shareholders of the Company was RM0.84 as compared with RM0.82 achieved in 2012.

DIVIDEND

Your Board of Directors approved payment of a single-tier interim dividend of 1.0 sen per share for the financial year ended 31 December 2013. It was 2.0 sen per share in the year 2012. The dividend amounting to RM2.067 million was paid to shareholders on 28 March 2014. Your Board of Directors did not propose a final dividend for the year under review as much working capital is reserved for new acquisition of development land and the undertaking of new projects in the coming months to improve the profitability of the Group.

CORPORATE GOVERNANCE

The Board remains committed to the Group practice of corporate governance to ensure transparency, accountability and the protection of shareholders' and stakeholders' interests. Our Corporate Governance Statement can be found on pages 16 to 21 and viewed at our website.

CORPORATE SOCIAL RESPONSIBILITIES

The Board had also taken steps to ensure the principle of Corporate Social Responsibilities were being implemented to the best of our ability in our dealings with our various stakeholders which ranged from our shareholders, employees, and the community at large.

Apart from Employee Study Loan Fund provided to employees and their dependents, the Group will continue to identify other suitable social programmes to extend its social responsibilities.

MOVING FORWARD IN 2014

The year 2014 can be considered as an interesting year for the property market in Malaysia as our Government and Bank Negara are introducing measures and regulations to curb speculation of property market. These include revision of Real Property Gains Tax Rates, prohibition of Developer Interest Bearing Scheme, stringent mortgage and lending rules and the implementation of Goods & Service Tax in April 2015. Invariably, there will be much uncertainty in the property market, affecting both the developers and buyers.

Despite such business environment, the Board is still confident that the Group can still continue to achieve a better revenue and profit results in the financial year 2014.

ACKNOWLEDGEMENT

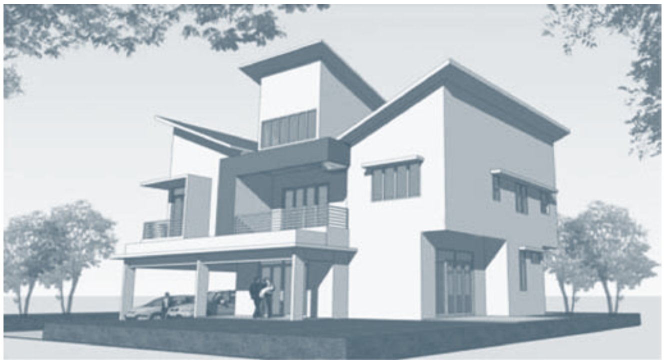
On behalf of the Board of Directors, I would like to express our special appreciation to Mr Loong Foo Ching, the Acting Chairman/ Senior Independent Non-Executive Director, for his valuable contributions. Mr Loong retired in 14 June 2013 after serving the Board for 11 years.

The Board also like to thank our valued investors, business associates and customers for your unfailing support, assistance and confidence in the Group.

To the Management and Staff of Bertam Alliance Bhd, I extend my heartfelt appreciation for your invaluable contribution, loyalty and commitment that helped the Group to achieve its success in the year 2013. Last but not least, my thanks also go to my fellow Board members for their advice and support during the same period.

WU CHING MIN @ GOH CHING MIN
Chairman

MANAGING DIRECTOR'S STATEMENT



THE ECONOMY

In year 2014, the Malaysia economy is expected to remain on a steady growth path at an expansion rate of 4.5% - 5.5%, compared with 4.7% achieved in the prior year. The growth is expected to be mainly driven by domestic demand in the country.

GOVERNMENT MEASURES

In an effort to curb speculations to ensure a healthy real estate industry, the government has implemented some cooling measures such as tightening the lending rules on purchase of property, disallowing Developer Interest Bearing Scheme (DIBS), increased Real Property Gains Tax (RPGT) on sales of property within short period of holding and increasing the minimum purchase price of property by foreign home buyer to RM1 million.

The Government also seeks to provide affordable homes to low and middle income households through the 1Malaysia Housing Programme (PR1MA) and MyHome Scheme. The latter is an incentive plan to subsidise RM30,000 for each affordable house built by qualified private developer.

IMMEDIATE IMPACT

The various measures introduced do not have immediate adverse effect on Bertam as current projects involve Build-Then-Sell schemes, namely 80 units of apartment in Batu Tiga, Shah Alam, and 120 units of apartment in Kota Damansara. The former project has just been completed and upon the receipt of the Certificate of Completion and Compliance, the units shall be opened for sales. The construction of the other project is progressing on schedule and will be completed in this year.

Besides low-rise apartment Projects, Bertam undertook a high-end, sea-view bungalow development in the burgeoning affluent business community of Langkawi, Kedah. This project consists of 48 units of bungalow/ bungalow lot and the sales have been encouraging.

GOING FORWARD

The Group is poised to benefit from the current construction of Mass Rapid Transit (MRT) Line between Sungai Buloh and Kajang. The proposed Taman Suntex MRT Station is within walking distance from the proposed 1,388-unit service apartment project. Planning approval is expected to be obtained by the end of this year.

In year 2013, the Group has taken a 49% stake in GJH Ventures Sdn Bhd and GJH Prestige Sdn Bhd. The former owns 429 acres of land in Jasin, Melaka and the latter has a 51% stake in subsidiaries that owned 85 acres of reclaimed land in Melaka town. These associate companies are expected to start contributing to the Group's earning in a couple of years, once the relevant approvals are obtained.

Apart from property development, the Group has also planted rubber trees on its own 485-acre land in Gemencheh, Negeri Sembilan. This venture will begin to contribute to the Group's earnings in 5 years' time.

OUTLOOK FOR THE GROUP

Recent government cooling measures on the property industry coupled with the planned introduction of Goods & Services Tax (GST) in April 2015 present immediate challenges to property developers. However with prudent management and appropriate product offerings, we are confident that the Group will continue to do well.

TAN AI TONG
Managing Director

PROFILE OF THE BOARD OF DIRECTORS

WU CHING MIN @ GOH CHING MIN
Independent Non-Executive Chairman

WU CHING MIN @ GOH CHING MIN, aged 66, is a Malaysian and was appointed to the Board as an Independent Non-Executive Director on 13 September 2013. He is also the Chairman of the Nomination Committee and a member of the Audit Committee. On 20 December 2013, he was appointed as Independent Non-Executive Chairman.

He holds a Bachelor of Engineering (Mechanical) Degree from University of Malaya, Kuala Lumpur, and a Certificate in Production Management from Carl Duisberg Gessellschaft, Cologne, Germany. He also holds a Masters in Business Administration from Cranfield University, Bradfort, England.

Mr. Goh began his career as a Technical Engineer in the year 1973 and spent almost 40 years managing the operations management in public listed and private manufacturing organisations as Senior General Manager. He possesses wide knowledge and experience in general management, international marketing, human resource management and industrial law and practices. For over 10 years, he was a part time course leader for Operations Management courses conducted by Malaysian Institute of Management.

He does not hold directorship in other public listed companies.

TAN AI TONG
Managing Director

TAN AI TONG, aged 59, is a Malaysian and was appointed to the Board on 23 July 2002. He is the Managing Director of Bertam Alliance Berhad and is responsible for the overall management of the Group.

He holds a Bachelor of Civil Engineering Degree from University of Auckland, New Zealand and also a Masters in Business Administration from Cranfield University, Bradfort, England. He is a Professional Engineer and a member of the Institution of Engineers, Malaysia. He has had many years of experience in business and property development. He also sits in the Board of several other private limited companies.

He does not hold directorship in other public listed companies.

LOW YEW HWA
Executive Director

LOW YEW HWA, aged 57, is a Malaysian and was appointed to the Board as a Non-Independent Non-Executive Director on 23 July 2002. He is also a member of the Remuneration Committee. On 8 May 2012, he was re-designated from Non-Independent Non-Executive Director to Executive Director.

He holds a Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College, Kuala Lumpur. He is a Fellow Member of the Association of Chartered Certified Accountants, UK and also a member of the Malaysian Institute of Accountants. He is a Non-Independent Non-Executive Director of Brem Holding Berhad. He also sits on the Board of several other private limited companies.

He is deemed interested in certain recurrent related party transactions. Details pertaining to these transactions are disclosed in Note 29 to the financial statements.

PROFILE OF THE BOARD OF DIRECTORS
(CONT'D)

HAMDAN BIN YAHYA
Independent Non-Executive Director

HAMDAN BIN YAHYA, aged 64, is a Malaysian and was appointed to the Board as an Independent Non-Executive Director on 22 February 2005. He is the Chairman of the Audit Committee and Remuneration Commitee. He is also a member of the Nomination Committee.

He obtained his Degree (BA Hons) from University Malaysia, Kuala Lumpur in 1972/73 and started his career as Johor Civil Service officer in 1973. He was in the civil service from 1973 to 1981, after which he joined the private sector.

He has over 25 years of experience in the business sector. He gained experiences in many fields and specialises in corporate and property management. He has been participating in the federal and state government trade mission to USA, Europe, Taiwan, Japan and etc. He also sits on the Board of Olympia Industries Berhad.

KHOO HUI GIOK
Non-Independent Non-Executive Director

KHOO HUI GIOK, aged 35, is a Malaysian and was appointed to the Board as a Non-Independent Non-Executive Director on 1 March 2012. She is also a member of the Audit Committee, Nomination Committee and Remuneration Committee.

She holds a Bachelor of Business Accounting from Charles Sturt University, Australia. She is a certified practising accountant of CPA Australia and a member of the Malaysian Institute of Accountants.

She has over 10 years of experience in financial management. Currently, she is a financial controller of a chain of hotels in Malaysia. She is also a Non-Independent Non-Executive Director of Brem Holding Berhad.

She is deemed interested in certain recurrent related party transactions. Details pertaining to these transactions are disclosed in Note 29 to the financial statements.

She does not have any family relationship with other Directors. She is a daughter of Dato' Khoo Chai Kaa and Datin Lee Lei Choo, the major shareholders of the Company.

Other Information on Directors

1. None of the Directors has any family relationship with any Director and/or major shareholder of the Company other than those as stated above.

2. None of the Directors has any conflict of interest with the Company other than those as stated above.

3. None of the Directors has been convicted for offences within the past ten (10) years other than traffic offences.

GROUP FINANCIAL HIGHLIGHTS

Statements of Comprehensive Income (Financial Year Ended 31 December)	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000
Revenue	32,104	41,301	72,309	60,274	39,760
Earnings before interest,tax, depreciation and amortisation	5,255	15,669	20,541	18,169	5,056
Profit before tax	4,785	15,206	19,965	17,388	4,188
Income tax (expense)/benefit	(1,156)	(3,515)	(5,802)	(2,118)	26
Profit net of tax, representing total comprehensive income for the year	3,629	11,691	14,163	15,270	4,214
Profit attributable to:					
Shareholders of the Company	3,680	10,597	12,627	14,810	4,269
Non- controlling interest	(51)	1,094	1,536	460	(55)
	3,629	11,691	14,163	15,270	4,214

Statements of Financial Position (As At 31 December)	2013 RM'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000
Total assets:					
Non-current assets	74,383	67,639	64,613	26,022	85,687
Current assets	156,490	161,594	162,497	159,482	111,251
	230,873	229,233	227,110	185,504	196,938
Total liabilities:					
Current liabilities	29,813	29,921	35,338	22,097	45,228
Non-current liabilities	27,979	29,860	26,776	10,056	10,274
	57,792	59,781	62,114	32,153	55,502
Net assets	173,081	169,452	164,996	153,351	141,436
Equity attributable to Shareholders of the Company:					
Share capital	206,756	206,756	206,756	206,756	206,756
Accumulated losses	(33,745)	(37,425)	(43,481)	(54,047)	(65,756)
	173,011	169,331	163,275	152,709	141,000
Non-controlling interest	70	121	1,721	642	436
Total equity	173,081	169,452	164,996	153,351	141,436
Loans and borrowings:					
Current	6,075	6,539	4,415	3,954	1,010
Non-current	21,345	22,102	18,900	2,993	4,017
	27,420	28,641	23,315	6,947	5,027

GROUP FINANCIAL INDICATORS

Profitability ratio (Financial Year Ended 31 December)		2013	2012	2011	2010	2009
Gross profit margin	(%)	19.83	42.45	30.32	28.18	23.26
Net profit margin	(%)	11.46	25.66	17.46	24.57	10.74
Return on assets	(%)	1.59	4.62	5.56	7.98	2.17
Return on equity	(%)	2.13	6.26	7.73	9.70	3.03

Market value ratio (Financial Year Ended 31 December)		2013	2012	2011	2010	2009
Earnings per share	(Sen)	1.78	5.13	6.11	7.16	2.06
Net asset per share	(RM)	0.84	0.82	0.79	0.74	0.68
Price earning (P/E) ratio	(Times)	37.08	11.31	8.18	8.94	11.65
Gross dividend per share	(Sen)	1.00	2.00	1.00	1.50	1.31
Gross dividend yield	(%)	1.52	3.45	2.00	2.34	5.46
*Share price as at financial year end	(Sen)	66	58	50	64	24

Solvency ratio (Financial Year Ended 31 December)		2013	2012	2011	2010	2009
Gearing ratio	(Times)	0.16	0.17	0.14	0.05	0.04
Interest cover	(Times)	19.24	48.04	56.91	33.80	8.71

AUDIT COMMITTEE REPORT

1. COMPOSITION OF AUDIT COMMITTEE

Hamdan Bin Yahya
Chairman, appointed on 14 June 2013
(Independent Non-Executive Director)

Wu Ching Min @ Goh Ching Min
Member, appointed on 13 September 2013
(Independent Non-Executive Director)

Khoo Hui Giok
Member
(Non-Independent Non-Executive Director)

Loong Foo Ching
Chairman, resigned on 14 June 2013
(Senior Independent Non-Executive Director)

2. TERMS OF REFERENCE

The terms of reference of the Audit Committee presented previously remain substantially unchanged. Pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, these terms of reference is published on the corporate website, ir.chartnexus.com/bertamalliance/, for shareholders' reference.

3. AUDIT COMMITTEE MEETINGS ATTENDANCE

During the financial year, four (4) meetings were held. The attendance by the Committee members during their tenure of office is as below.

Director	No. of Meetings Attended/ No. of Meetings Held during Office
Hamdan Bin Yahya	4/4
Wu Ching Min @ Goh Ching Min	1/1
Khoo Hui Giok	4/4
Loong Foo Ching	3/3

4. ACTIVITIES OF THE AUDIT COMMITTEE

The key review activities undertaken by the Audit Committee during the financial year were summarised as follows:-

(a) Reviewed the unaudited quarterly financial results, cash flows and financial positions for each financial quarter prior to submission to the Board for consideration and approval for announcement to Bursa Securities;

(b) Reviewed the annual audited financial statement, External Auditor's management letter, Directors' and Auditors' Reports and other significant accounting issues arising from the financial year ended 31 December 2012 audit;

(c) Reviewed the External Auditors' plan for the year ended 31 December 2013;

(d) Conducted one (1) meeting with the External Auditors without the presence of the Executive Directors and employees of the Group;

(e) Reviewed the internal audit plan and reports presented by the Internal Auditors;

(f) Reviewed various board policies covering board charter, risk policy, board's schedule of matters, code of conduct and sustainability policy;

(g) Reviewed the Statement on Corporate Governance, Audit Committee Report and Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval for inclusion in the 2012 Annual Report;

(h) Reviewed the quarterly status of recurrent related party transactions; and

(i) Reviewed the circular to shareholders in relation to the proposed renewal of shareholders' mandate for recurrent related party transaction.

5. INTERNAL AUDIT FUNCTION

The Group had established an internal audit function. This function is outsourced to an internal audit services company and functionally, the lead internal auditor reports to the Committee directly.

The Committee reviews and approves the annual internal audit plan before the Internal Auditors carry out their functions. All audit findings are reported to the Committee and areas of improvement and audit recommendations identified are communicated to the Management for further action.

During the financial year, the Internal Auditors conducted internal control reviews on certain key operating functions and procedures and recommended action plans for management improvement. The audit reports containing audit findings and recommendations together with management's responses thereto were circulated to all members of the Audit Committee. Areas of improvement identified were communicated to the management for further action. All audit reports were reviewed by the Audit Committee and discussed at Audit Committee Meetings. Follow-up reviews are performed to ascertain the extent of management's implementation of the recommended corrective action for improvements.

The cost incurred for the internal audit function in respect of the financial year ended 31 December 2013 was RM39,612 (2012: RM39,198).

STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("the Board") of Bertam Alliance Berhad is pleased to report that for the financial year under review, the Board has continued to apply good governance practices in managing and directing the business of the Group by adopting the principles and the best practices prescribed in the Malaysian Code on Corporate Governance ("the Code").

BOARD ROLES AND RESPONSIBILITIES

The objective of the principles stated in the Code is to set out the fundamental structures for effective functioning of the board.

The Board has the overall governance responsibilities to lead and control the Group. The Board reviews the business direction, development and control of the Group and has taken initiatives to embrace their fiduciary responsibilities in discharging its stewardship duties. When implementing the business plan, the Executive Directors are responsible for making and implementing operational and corporate decisions while the Non-Executive Directors are responsible to provide independent views, advice and judgment in consideration of the interests of shareholders at large.

The Board has defined its schedule of matters and retained its authority of approval on significant matters covering such as the corporate exercises, shareholders' and corporate communication and governance matters, award of contract, acquisition and disposal of significant assets.

The Board recognises the importance for reviewing and adopting a strategic plan and overseeing the conduct of the business. This will ensure that the business is being properly managed and controlled. Presently, the strategic business actions and plans undertaken by the Executive Directors are reviewed by the Board in consideration of the quarterly financial results and explanations provided by management.

The Board maintains specific Board Committees namely Audit Committee, Nomination Committee and Remuneration Committee. These Committees ensure greater attention, objectivity and independence are provided in the deliberations of specific board agenda. In order to ensure the direction and control of the Group is firmly within the Board, the Board has defined the terms of reference for each Committee. The Chairmen of the respective Board Committees would report to the Board during the Board meetings on significant matters and salient matters deliberated in the Committees.

The Board has full access to all information, management and the advice and services of the Company Secretary. Subject to the Board's approval, all board members could seek independent professional advices when necessary in furtherance their responsibilities,

Apart from schedule of matters mentioned in the foregoing, the Board has also defined its charter and code of conduct providing information and guidance to stakeholders on the board proceedings and ethical behaviours to be expected from the Group.

BOARD COMPOSITION

The Code continues to emphasize the importance of right board composition in bringing value to the Board deliberation and transparency of policies and procedures in selection and evaluation of board members.

The Board is supportive of the gender diversity policy. The Board gives due consideration in balancing its gender composition in the board vis-a-vis the Group business portfolio. Presently, the Board is made up of two (2) Executive Directors, two (2) Independent Non-Executive Directors and a female (1) Non-Independent Non-Executive Director constituting majority non-executive directors in the Board.

All Board members have extensive professional and business experience relevant to the property development and management of the Group. When there are changes in the regulatory requirements and resignation and retirement of directors, the Board would through the Nomination Committee review the composition of the Board members accordingly.

In order to ensure that the selection and evaluation of board members are done objectively, the Nomination Committee consists of mainly independent board members and the Committee is chaired by an independent director.

Functionally, the Nomination Committee is responsible for reviewing and making recommendation for any appointments to the Board considering the size of the Board, the mix of skills and experience, other qualities director and his or her independence (for appointment of independent director) should bring to the Board. New nomination is assessed and recommended to the full Board for appointment.

Two (2) meetings were held during the financial year by the Nomination Committee. In line with the Best Practices, the appraisals of individual director, Board Committees and the Board were documented. Further details of the activities undertaken by the Nomination Committee during the financial year are reported on page 23.

BOARD REMUNERATION

The Remuneration Committee considers and applies the principles recommended by the Code in determining the directors' remuneration. Executive Directors are remunerated based on the Group's performance, market conditions and their responsibilities whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and the level of responsibilities assumed.

The number of Directors whose income falls within the following bands is set out as follows:

Remuneration Bands	Executive Directors	Non-Executive
RM50,000 and below	-	4
RM400,001 – RM450,000	2	-

The aggregate remuneration paid or payable to all Directors of the Company are further categorised into the following components:

	Fees* (RM)	Salaries (RM)	Bonuses (RM)	EPF (RM)	Benefit-in-kind/ Allowance (RM)	Total (RM)
Executive Directors	70,000	600,000	100,000	57,000	4,500	831,500
Non-Executive Directors	96,250	-	-	-	47,000	143,250

* The Directors' fees are related to financial year 2013.

The Board suggests Directors' fee of RM70,000 for Executive Directors and RM96,250 for Non- Executive Directors to be payable for financial year 2013 which shall be subject to shareholders' approval at the forthcoming AGM.

BOARD INDEPENDENCE

Independence is important for ensuring objectivity and fairness in board's decision making.

The roles and responsibilities of the Chairman and Managing Director continue to be separated and the Chairman of the Board is an independent director.

Presently, the Board has not named a Senior Independent Director. Accordingly, shareholders are encouraged to express their concerns to and seek clarification from the Independent Non-Executive Chairman and Managing Director of the Board.

The Board is satisfied with the level of independence of both the independent directors presently. In order to uphold independence of Independent Directors, the Board has adopted and applied the following recommendation of the Code in assessing the independence and forming composition of the independent directors at the Board:

i. To review annual self-assessment and declaration of independence of its independent directors; and

ii. Subject to Board justification and shareholders' approval, to restrict tenure of independent directors to nine (9) years.

BOARD COMMITMENT

The underlying factors of directors' commitment to the Group are devotion of time and continuous improvement of knowledge and skillsets.

The Board meets at least once in every quarter and on other occasions, as and when necessary, to inter-alia review and approve quarterly financial results, statutory financial statements, the Annual Report, business ventures as well as to review the performance of the Company and its operating subsidiaries, governance matters and other business development matters. Board papers are circulated to the Board members so as to provide the Directors with relevant and timely information to enable them to prepare for deliberation on issues during Board meetings.

During the financial year, five (5) Board meetings were held. The details of attendance by the Board members during their tenure of office is as below.

Director	No. of Meetings Attended/ No. of Meeting Held during Office
Wu Ching Min @ Goh Ching Min *(Appointed on 13 September 2013)*	1/1
Tan Ai Tong	5/5
Low Yew Hwa	5/5
Hamdan bin Yahya	5/5
Khoo Hui Giok	5/5
Loong Foo Ching *(Resigned on 14 June 2013)*	3/3

Directors recognise the needs to attend trainings to enable the directors to discharge their duties effectively. During the year, the Directors have participated in relevant training programmes to enhance their skills and knowledge and to keep abreast with the relevant change in laws, regulations and business environment. The trainings attended by the present Directors during the financial year are as below:

Director	Training Attended
Wu Ching Min @ Goh Ching Min	(i) Mandatory Accreditation Programme for Directors of Public Listed Companies (ii) 9th Tricor Tax & Corporate Seminar (iii) Conference on Employment and Labour Law 2013 (iv) Malaysia Legal and Corporate Conference (v) Retention and Termination of Employment Seminar
Tan Ai Tong	(i) 9th Tricor Tax & Corporate Seminar (ii) Board Briefing on Contemporary Corporate and Risk Governance Issues
Low Yew Hwa	(i) 9th Tricor Tax & Corporate Seminar (ii) Board Briefing on Contemporary Corporate and Risk Governance Issues
Hamdan bin Yahya	(i) 9th Tricor Tax & Corporate Seminar (ii) Board Briefing on Contemporary Corporate and Risk Governance Issues
Khoo Hui Giok	(i) 9th Tricor Tax & Corporate Seminar (ii) Board Briefing on Contemporary Corporate and Risk Governance Issues

FINANCIAL REPORTING

The Audit Committee has the responsibility to ensure the Group's financial statements comply with applicable financial reporting standards. During its review processes, the Audit Committee has obtained written assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Annually, the Audit Committee also reviews the appointment, performance and remuneration of the External Auditors before recommending them to the shareholders for re-appointment in the Annual General Meeting.

RISK MANAGEMENT

Board acknowledges that risk management is an integral part of good governance. Risk is inherent in all business activities. It is however, not the Group's objective to eliminate risk totally but to provide structural means to identify, prioritize and manage the risks involved in the Group's activities and to balance between the cost of managing and treating risks, and the anticipated benefits that will be derived from.

Further details of the Group's systems of risk management and internal control are reported in the Statement on Risk Management and Internal Control on page 22.

CORPORATE DISCLOSURE

Corporate information is important for investors and shareholders. The Board is advised by the management, the Company Secretary and the External and Internal Auditors on the contents and timing of disclosure requirements of the Bursa Malaysia's Main Market Listing Requirements on the financial results and various announcements.

Besides ensuring timely releases of quarterly financial results, circulars, annual reports, corporate announcement and press releases on Bursa's website, the Board leverages on its corporate website to communicate, disseminate and provide further information and details on the governance reporting. Further, pursuant to Para 9.25 of the Listing Requirements, publication of those static and principal governance information such as charter and board committees' terms of reference are transferred from annual report to the Company's website in order to reduce dilution of impact of issues discussed in the annual report.

SUSTAINABILITY

Based on the business, industry, and regulatory environment in which the Group's businesses operate in, the Executive Directors and management require its business units comply with statutory regulations on safety and health and promote appropriate environmentally friendly practices in the Group.

SHAREHOLDERS' RIGHT

General meetings empower shareholders to exercise their rights. Shareholders are provided with opportunity to participate in the question and answer session in which shareholders may raise questions regarding the proposed resolutions at the general meeting and on matters relating to the Group's businesses and affairs. The Chairman and the Board members are present at the general meetings to respond to shareholders' queries.

Shareholders are advised that they have the right to demand a poll vote at general meetings. Also, effective 1st June 2013, poll voting is mandated for related party transactions that require shareholders' approval.

The Board would respond to meetings with institutional shareholders, analysts and members of the press to convey information regarding the Group's performance and strategic direction as and when requested. The Board would also ensure suitability of venue and timing of meeting and undertake other measures to encourage shareholders' participation in the meetings.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that:

i. The annual audited financial statements of the Group and of the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, the provisions of the Companies Act, 1965 and the Main Market Listing Requirements so as to give a true and fair view of the state of affairs of the Group and the Company for the financial year, and

ii. Proper accounting and other records are kept which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate system are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In the preparation of the financial statements for the financial year ended 31 December 2013, the Directors have adopted appropriate accounting policies and have applied them consistently in the financial statement with reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in the preparation of the financial statements.

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of proceeds

There were no corporate proposals announced at the date of this annual report.

2. Share Buybacks

There were no share buy-backs during the financial year.

3. Options, Warrants or Convertible Securities

There were no options, warrants or convertible securities issued by the Company during the financial year.

4. Depository Receipt Programme

During the financial year, the Company did not sponsor any Depository Receipt Programmes.

5. Sanctions/Penalties

There were no sanctions and/or penalties (that were made public) imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the financial year.

6. Profits estimates, forecast or projection

There was no material variance between the results of the financial year and the unaudited results previously released by the Company. The Company did not release any profit estimate, forecast or projection during the financial year.

7. Profit guarantee

No profit guarantee was given by the Company during the financial year.

8. Material Contract

There were no material contracts entered into by the Company or its subsidiaries involving Directors or major shareholders' interests during the financial year, other than those disclosed under notes to the financial statements.

9. Employee Share Scheme

The Company does not have an Employee Share Scheme in existence.

10. Recurrent Related Party Transaction ("RRPT")

On 14 June 2013, the Company obtained approval from the shareholders of the Company to enter into RRPT of a revenue or trading nature with persons who are consideration to be a "Related Party" as defined in Chapter 10 of the Listing Requirements.

There was no transaction entered into between Bertam Group and the Related Parties during the financial year.

11. Non-audit Fees

There were no non-audit fees paid to External Auditors during the financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board') is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2013. This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements and guided by the latest "Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers" issued by the Task Force on Internal Control with the support and endorsement of Bursa Securities.

BOARD AND MANAGEMENT RESPONSIBILITIES IN RISK MANAGEMENT AND INTERNAL CONTROL

The Board understands the principal risks of the business that the Group involves and accepts the incurrence and balancing of risk and return in order to reward the shareholders. The Board derives its comfort of the state of internal control and risk management of the Group from the following processes and information:

- Periodic review of financial information covering financial performance and quarterly financial results;
- Operational information and updates provided by management during the board meetings;
- Audit Committee's review and consultation with management on the integrity of the financial results, annual report and audited financial statements;
- Audit findings and reports on the review of systems of internal control from the Internal Auditors;
- Management assurance that the Group's risk management and internal control systems have been operating adequately and effectively, in all material respects; and
- Director representations on the boards of the companies in which the Group has investment.

Management is responsible to the Board for identifying risks relevant to the business, implementing and maintaining sound systems of risk management and internal control and monitoring and reporting to the Board of significant control deficiencies and risks that could significantly affect the Group's performance. In making this Statement, Managing Director and Executive Director have represented to the Board that, to the best of their knowledge the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

BOARD ASSURANCE AND LIMITATION

For the financial year under review, the Board is satisfied that the existing level of systems of internal control and risk management are effective to enable the Group to achieve its business objectives and there were no material losses resulted from significant control weaknesses that would require separate disclosure in the Annual Report. The Board recognises that the systems of risk management and internal control should be continuously improved in line with the evolving business development. Nonetheless, it should be noted that all risk management systems and systems of internal control could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, these systems of internal control and risk management in the Group can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

REVIEW OF STATEMENT ON INTERNAL CONTROL BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the systems of risk management and internal control of the Group.

STATEMENT BY NOMINATION COMMITTEE

The following statement is made by the Nomination Committee of the Board in accordance with Para 15.08A of the Listing Requirements requiring all public listed companies with financial year ended on or after 31 December 2013, to disclose a statement about the activities of the Nomination Committee.

The principle of the Board composition policy is to maintain effective size of the board that reflects its responsibilities, dynamic, the representatives of the interests of shareholders and promotes common purpose and sense of sharing among its members.

The Nomination Committee is empowered to review annually the effectiveness, contribution and performance of the Board, Board Committees and Board members and the independence of its Independent Directors. The objective of this review is to ensure that the Board's size, structure and composition meet the needs and expectations of the Company and the Listing Requirements as well as the mix of skills, gender diversity, character, experience, integrity, competence and time to effectively discharge roles and responsibilities of the Board Members.

The performance evaluation of the Board is conducted by way of self-assessment. Directors are required to fill out the self assessment forms and provide their feedback, views and suggestions for improvement. The results of these self-assessment questionnaires are compiled by the Company Secretaries and tabled to the Nomination Committee for review and deliberation.

All directors are required to retire but are eligible to submit themselves for re-election at least once in every three years. Before recommending the retiring directors to the Board for re-election, the Nomination Committee will review and report the performance assessment of the retiring directors to the Board and retiring directors shall abstain from deliberation of their performance.

During the financial year, the Nomination Committee conducted two (2) meetings. These meetings were attended by all members of the Committee. At these meetings, the Nomination Committee:

i. Reviewed the effectiveness and competencies of the Board, Board Committee and individual director;

ii. Reviewed the annual declaration of independence of Independent Directors for continual meeting of the independence criteria of the listing requirements;

iii. Reviewed and recommended to the Board for re-election of retiring directors in AGM;

iv. Recommended the Board to name a senior independent non-executive director; and

v. Reviewed and proposed to the Board for the appointment of new chairmen for the Nomination and Remuneration Committees.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2013.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are described in Note 16 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit net of tax	3,628,563	3,065,338
Profit attributable to:		
Shareholders of the Company	3,679,450	3,065,338
Non-controlling interests	(50,887)	-
	3,628,563	3,065,338

RESERVES AND PROVISIONS

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

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

DIVIDEND

A single-tier interim dividend in respect of the financial year ended 31 December 2013 of 1 sen per share on 206,756,497 ordinary shares, amounting to dividend payable of RM 2,067,565, was approved by the Board of Directors on 26 February 2014 and paid on 28 March 2014.

The Directors do not recommend any payment of final dividend in respect of the current financial year.

ISSUE OF SHARES AND DEBENTURES

No shares or debentures were issued and no options to take up unissued shares were granted during the financial year, and at the end of the financial year, no options over unissued shares of the Company were outstanding.

DIRECTORS OF THE COMPANY

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

WU CHING MIN @ GOH CHING MIN	*(APPOINTED ON 13.09.2013)*
TAN AI TONG	
LOW YEW HWA	
HAMDAN BIN YAHYA	
KHOO HUI GIOK	
LOONG FOO CHING	*(RESIGNED ON 14.06.2013)*

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in 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 a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 29 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	As at	During the year		As at
	1.1.2013	Acquired	Sold	31.12.2013
Deemed Interest:				
Ordinary shares of the Company				
TAN AI TONG*	4,262,000	-	-	4,262,000

* Deemed interest through VA Trading Sdn. Bhd.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

(f) In the opinion of the Directors:

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

   (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events during the year are disclosed in Note 35 to the financial statements.

AUDITORS

The auditors, Messrs. STYL Associates, have indicated their willingness to continue in office.

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

TAN AI TONG	**LOW YEW HWA**

DATE: 23 APRIL 2014

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

We, **TAN AI TONG** and **LOW YEW HWA**, being two of the Directors of BERTAM ALLIANCE BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 32 to 94 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

The information set out in Note 37 to the financial statements on page 95 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

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

TAN AI TONG	**LOW YEW HWA**

DATE: 23 APRIL 2014

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

I, **TAN AI TONG**, being the Director primarily responsible for the financial management of BERTAM ALLIANCE BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 32 to 95, are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the }
abovenamed **TAN AI TONG** }
at Petaling Jaya in the Selangor Darul Ehsan }
this day of 23 APRIL 2014 }

Before me:	**TAN AI TONG**

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BERTAM ALLIANCE BERHAD (COMPANY NO. 305530-A) (INCORPORATED IN MALAYSIA)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of BERTAM ALLIANCE BERHAD which comprise the statements of comprehensive income of the Group and of the Company as at 31 December 2013, and the statements of financial position, 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 32 to 94.

Directors' Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2013 and of their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

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

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

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

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 37 on page 95 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.

STYL ASSOCIATES
[FIRM NO: AF-1929]
CHARTERED ACCOUNTANTS

SI CHAY BENG
CHARTERED ACCOUNTANT
APPROVAL NO.1200/08/14 (J)

KUALA LUMPUR
DATE: 23 APRIL 2014

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

		GROUP		COMPANY	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
Revenue	4	32,104,215	41,301,519	1,880,286	6,791,773
Cost of sales	5	(25,737,450)	(23,769,974)	-	-
Gross profit		6,366,765	17,531,545	1,880,286	6,791,773
Other income	6	1,775,518	1,369,166	3,339,827	9,249,938
Administrative expenses		(3,013,096)	(3,370,760)	(2,154,775)	(2,086,236)
Finance costs	7	(262,370)	(323,279)	-	-
Share of results of associates		(81,939)	-	-	-
Profit before tax	8	4,784,878	15,206,672	3,065,338	13,955,475
Income tax (expense)/benefit	11	(1,156,315)	(3,515,248)	-	361,280
Profit net of tax, representing total comprehensive income for the year		3,628,563	11,691,424	3,065,338	14,316,755
Profit attributable to:					
Shareholders of the Company		3,679,450	10,596,892	3,065,338	14,316,755
Non-controlling interests		(50,887)	1,094,532	-	-
		3,628,563	11,691,424	3,065,338	14,316,755
Earnings per share attributable to shareholders of the Company (sen per share)					
Basic	12	1.78	5.13		

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

		GROUP		COMPANY	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Plant and equipment	13	622,344	783,686	10,856	7,770
Land held for property development	14	68,709,351	66,768,774	-	-
Goodwill on consolidation	15	-	-	-	-
Investment in subsidiaries	16	-	-	109,353,920	109,353,920
Investment in associates	17	4,965,061	-	-	-
Club memberships	18	86,000	86,000	-	-
Trade and other receivables	20	-	-	36,101,384	33,287,100
Total non-current assets		74,382,756	67,638,460	145,466,160	142,648,790
Current assets					
Property development costs	14	64,494,776	66,895,586	-	-
Inventories	19	3,923,207	2,403,577	-	-
Trade and other receivables	20	59,792,696	33,133,810	3,196,691	2,149,068
Other current assets	21	5,189,239	1,691,777	-	-
Tax recoverable		365,889	195,764	30,728	68,000
Cash and bank balances	23	22,724,357	57,273,905	41,067	80,605
Total current assets		156,490,164	161,594,419	3,268,486	2,297,673
TOTAL ASSETS		230,872,920	229,232,879	148,734,646	144,946,463
EQUITY AND LIABILITIES					
Current liabilities					
Loans and borrowings	24	6,074,985	6,538,775	-	-
Trade and other payables	25	23,197,368	14,879,919	2,482,708	1,759,863
Other current liabilities	26	-	6,775,123	-	-
Income tax payable		540,835	1,727,226	-	-
Total current liabilities		29,813,188	29,921,043	2,482,708	1,759,863
Net current assets		126,676,976	131,673,376	785,778	537,810

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013 (CONT'D)

		GROUP		COMPANY	
		2013	2012	2013	2012
	Note	RM	RM	RM	RM
Non-current liabilities					
Loans and borrowings	24	21,344,776	22,101,725	-	-
Trade and other payables	25	932,095	1,983,482	-	-
Deferred tax liabilities	27	5,701,991	5,774,322	-	-
Total non-current liabilities		27,978,862	29,859,529	-	-
TOTAL LIABILITIES		57,792,050	59,780,572	2,482,708	1,759,863
Equity attributable to shareholders of the Company					
Share capital	28	206,756,497	206,756,497	206,756,497	206,756,497
Accumulated losses		(33,745,434)	(37,424,884)	(60,504,559)	(63,569,897)
		173,011,063	169,331,613	146,251,938	143,186,600
Non-controlling interests		69,807	120,694	-	-
TOTAL EQUITY		173,080,870	169,452,307	146,251,938	143,186,600
TOTAL EQUITY AND LIABIITIES		230,872,920	229,232,879	148,734,646	144,946,463

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Attributable to shareholders <--------------of the Company--------------->				
		Share Capital RM	Accumulated Losses RM	Total RM	Non-controlling Interests RM	Total Equity RM
GROUP						
At 1 January 2012		206,756,497	(43,480,990)	163,275,507	1,720,506	164,996,013
Total comprehensive income		-	10,596,892	10,596,892	1,094,532	11,691,424
Transaction with owners						
Dividends paid to shareholders of the Company	34	-	(4,135,130)	(4,135,130)	-	(4,135,130)
Dividends paid to non-controlling interests		-	-	-	(2,600,000)	(2,600,000)
Acquisition of non-controlling interest		-	(405,656)	(405,656)	(94,344)	(500,000)
At 31 December 2012		206,756,497	(37,424,884)	169,331,613	120,694	169,452,307
Total comprehensive income		-	3,679,450	3,679,450	(50,887)	3,628,563
At 31 December 2013		206,756,497	(33,745,434)	173,011,063	69,807	173,080,870

	Note	Share Capital RM	Accumulated Losses RM	Total Equity RM
COMPANY				
At 1 January 2012		206,756,497	(73,751,522)	133,004,975
Total comprehensive income		-	14,316,755	14,316,755
Transaction with owners				
Dividends on ordinary shares	34	-	(4,135,130)	(4,135,130)
At 31 December 2012		206,756,497	(63,569,897)	143,186,600
Total comprehensive income		-	3,065,338	3,065,338
At 31 December 2013		206,756,497	(60,504,559)	146,251,938

The accompanying Notes form an integral part of the Financial Statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash flows from operating activities				
Profit before tax	4,784,878	15,206,672	3,065,338	13,955,475
Adjustment for:				
Bad debts written off	13,375	48,962	-	-
Bad debts recovered	-	(144,048)	-	-
Interest expenses	262,370	323,279	-	-
Interest income	(1,562,582)	(1,084,778)	-	-
Deposit written off	30,720	7,730	-	-
Depreciation of plant and equipment	208,302	140,321	1,219	2,796
Plant and equipment written off	372	23,064	-	22,842
Impairment loss on trade receivables	-	5,641	-	-
Interest income on amount due from subsidiaries	-	-	(2,813,441)	(2,610,738)
Gross dividend income from a subsidiary	-	-	-	(5,000,000)
Gain on disposal of plant and equipment	(99,999)	(35,809)	-	-
Loss on disposal of subsidiaries (Note 16(a))	2,817	-	-	-
Reversal of impairment loss on amount due from a subsidiary	-	-	(526,386)	(6,639,200)
Operating cash flows before changes in working Capital	3,640,253	14,491,034	(273,270)	(268,825)
Changes in working capital:				
Inventories	(1,519,630)	218,003	-	-
Property development	2,400,810	313,168	-	-
Trade and other receivables	(26,621,042)	57,007,958	(522,080)	12,715,246
Other current assets	(3,497,462)	(1,691,777)	-	-
Other current liabilities	(6,775,123)	1,079,318	-	-
Trade and other payables	7,267,562	(8,174,610)	722,845	(9,111,789)
Net cash flows (used in)/generated from operations	(25,104,632)	63,243,094	(72,505)	3,334,632
Income taxes paid, net of refunded	(2,589,705)	(3,996,288)	37,272	880,226
Net cash flows (used in)/generated from operating activities	(27,694,337)	59,246,806	(35,233)	4,214,858

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONT'D)

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash flows from investing activities				
Purchase of:				
- plant and equipment (Note a)	(47,333)	(196,892)	(4,305)	(4,819)
- land held for property development	(1,940,577)	(2,710,194)	-	-
Proceeds from disposal of plant and equipment	100,000	153,798	-	-
Net cash inflow on disposal of a subsidiary	226	-	-	-
Acquisition of a non-controlling interests of a subsidiary	(5,047,000)	(500,000)	-	-
Interest received	1,562,582	1,084,778	-	-
Net cash flows used in investing activities	(5,372,102)	(2,168,510)	(4,305)	(4,819)
Cash flows from financing activities				
Repayment of hire purchase payables	(103,905)	(180,325)	-	-
Proceeds from loan and borrowings	1,000,000	5,000,000	-	-
Repayment of loans and borrowings	(1,103,351)	(1,985,576)	-	-
Dividends paid to shareholders	-	(4,135,130)	-	(4,135,130)
Dividends paid to non-controlling interests	-	(2,600,000)	-	-
Interest paid	(262,370)	(323,279)	-	-
Net cash flows used in financing activities	(469,626)	(4,224,310)	-	(4,135,130)
Net (decrease)/increase in cash and cash equivalents	(33,536,065)	52,853,986	(39,538)	74,909
Cash and cash equivalents at beginning of year	51,852,655	(1,001,331)	80,605	5,696
Cash and cash equivalents at end of year (Note 23)	18,316,590	51,852,655	41,067	80,605

Note a

Acquisitions of plant and equipment during the financial year were made by way of the following arrangements:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Hire purchase	-	400,000	-	-
Cash	47,333	196,892	4,305	4,819
	47,333	596,892	4,305	4,819

The accompanying Notes form an integral part of the Financial Statements.

1. CORPORATE INFORMATION

Bertam Alliance Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. The principal place of business is at Brem House, Level 3, Crystal Crown Hotel, No. 12 Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services to the subsidiaries. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRSs which are mandatory for financial periods beginning 1 January 2013 as described fully as below.

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

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

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group and the Company adopted the following new and amended FRSs and Issues Committee ("IC") Interpretations mandatory for annual financial periods beginning on or after 1 July 2012 and 1 January 2013.

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

Effective for financial periods beginning on or after 1 January 2013:
- FRS 10: Consolidated Financial Statements
- FRS 11: Joint Arrangements
- FRS 12: Disclosure of Interests in Other Entities
- FRS 13: Fair Value Measurement
- FRS 119: Employee Benefits
- FRS 127: Separate Financial Statements
- FRS 128: Investment in Associates and Joint Ventures
- Amendments to FRS 1: Government Loans
- Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10: Consolidated Financial Statements
- Amendments to FRS 11: Joint Arrangements
- Amendments to FRS 12: Disclosure of Interests in Other Entities
- IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine
- Improvements to FRSs issued in 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Changes in accounting policies (cont'd)

Adoption of the new FRSs, Amendments to FRSs, Improvements to FRSs and IC Interpretations did not have significant impacts on the financial statements of the Group and of the Company in the period upon their initial application, except for changes arising from adoption of:

Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

The amendments to FRS 101 introduce a grouping of items presented in other comprehensive income. Items that will be reclassified ("recycled") to profit or loss at a future point in time (eg. net loss or gain on available-for-sale financial assets) have to be presented separately from items that will not be reclassified (eg. revaluation of land and buildings). The amendments affect presentation only and have no impact on the Group's financial position or performance.

FRS 10 Consolidated financial statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

FRS 11 Joint Arrangements

FRS 11 supersedes the former FRS 131 Interest in Joint Ventures. Under FRS 11, an entity accounts for its interest in a jointly controlled entity based on the type of joint arrangement, as determined based on an assessment of its rights and obligations arising from the arrangement. There are two types of joint arrangement namely joint venture or joint operation as specified in this new standard. A joint venture recognises its interest in the joint venture as an investment and account for its usong the equity method. The proportionate consolidation method is disallowed in such joint arrangement. A joint operator accounts for the assets, liabilities, revenue and expenses related to its interest directly.

FRS 12 Disclosure of Interests in Other Entities

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

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Changes in accounting policies (cont'd)

FRS 127 Separate Financial Statements

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

Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities

The amendments require additional information to be disclosed to enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendment affects disclosure only and has no impact on the Group's financial position or performance.

Standards and interpretations issued but not yet effective

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

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

Effective for financial periods beginning on or after 1 July 2014:
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle
- Amendments to FRS 119: Employee Contributions

The revised FRSs, amendments to FRSs and Interpretations above do not have significant impact on the financial statements and the accounting policies of the Group and Company.

Malaysian Financial Reporting Standards ("MFRSs Framework")

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1 January 2012, the MASB had on 19 November 2011 issue a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1 January 2012.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Malaysian Financial Reporting Standards ("MFRSs Framework") (cont'd)

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate ("Transitioning Entities"). The Transitioning Entities are given an option to defer adoption of the MFRSs Framework to financial periods beginning on or after 1 January 2015. Transitioning Entities also includes those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, the Group and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs Framework to financial year beginning on 1 January 2015. The Group and the Company will prepare their first MFRSs financial statements using the MFRSs Framework for the financial year ending 31 December 2015.

As at 31 December 2012, all FRSs issued under the existing FRSs Framework are equivalent to the MFRSs issued under MFRSs Framework except for differences in relation to the transitional provisions, the adoption of MFRS 141 Agriculture and IC Interpretation 15 Agreements for the Construction of Real Estate as well as differences in effective dates contained in certain of the existing FRSs. As such, other than those as discussed below, there are no significant effects arising from the transition to the MFRSs Framework. The effect is based on the Group's and the Company's best estimates at the reporting date. The financial effect may change or additional effects may be identified, prior to the completion of the Group's and the Company's first MFRSs based financial statements.

Application of MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1")

MFRS 1 requires comparative information to be restated as if the requirements of MFRS effective for annual periods beginning on or after 1 January 2015 have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRS.

IC Interpretation 15 Agreements for the Construction of Real Estate

IC Interpretation 15 establishes that the developer will have to evaluate whether control and significant risks and rewards of the ownership of work in progress, can be transferred to the buyer as construction progresses before revenue can be recognised. The Group is currently assessing the impact of the adoption of this Interpretation.

(b) Basis of consolidation

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of consolidation (cont'd)

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls an entity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment charges. Dividends received from subsidiaries are recorded as a component of revenue in the Company's separate financial statement.

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

Acquisitions of subsidiaries are accounted for using the acquisition method of accounting. The identifiable assets acquired and the liabilities assumed are measured at their fair values at the acquisition date. Acquisition costs incurred are expensed and included in administrative expenses. The difference between these fair values and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition. The accounting policy for goodwill is set out in Note 2(e). Discount on acquisition which represents negative goodwill is recognised immediately as income in profit or loss.

In business combinations achieved in stages, previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at the acquisition date either at fair value or at the proportionate share of the acquiree's identifiable net assets.

(c) Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the owners of the Company, and are presented separately in the consolidated comprehensive income and within equity in the consolidated statement of financial position, separately from shareholders' equity. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. Profit and loss attributable to non-controlling interest for prior years is not restated.

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

If the Group loses control over a subsidiary, at the date the Group loses control, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their respective carrying amounts;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Transactions with non-controlling interests (cont'd)

- Recognises the fair value of the consideration or distribution received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(d) Plant and equipment

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

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Plant and equipment are depreciated on the straight line basis so as to write off the cost of each asset down to its residual value over their estimated useful lives at the following annual rates:

	Rate
Plant and machinery	10% -12%
Furniture, fittings and office equipment	8% - 12%
Motor vehicles	20%
Renovation	10%

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Intangible assets

Goodwill

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

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

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit.

Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

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

(f) Impairment of non-financial assets

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

An asset's recoverable amount is 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 ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the 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 CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss in the period in which it arises.

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

Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Subsidiaries

A subsidiary company is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether the Company has the power to govern the financial and operating policies of another entity.

In the Company's separate financial statements, investment in subsidiary companies is stated at cost less impairment losses. Impairment losses are charged to the profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the subsidiary company's consolidated net assets disposed of is taken to the profit or loss.

(h) Associated company

An associated company is an entity in which the Group has significant influence and that is neither a subsidiary company nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

In the Company's separate financial statements, investments in associated companies are stated at cost less impairment losses. Impairment losses are charged to profit or loss.

On disposal, the difference between the net disposal proceeds and the carrying amount of the associated company disposed is taken to the profit or loss.

Investment in associated company is accounted for in the consolidated financial statements by the equity method of accounting. Under the equity method, the investment in associated company is initially recognised at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the associated company.

The Group's share of net profits or losses and changes recognised directly in the equity of the associated company is recognised in the consolidated profit or loss and consolidated statement of changes in equity, respectively.

An investment in an associated company is accounted for using the equity method from the date on which the Group obtains significant influence until the date the Group ceases to have significant influence over the associated company.

Premium relating to an associated company is included in the carrying value of the investment and it is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment accordingly.

Discount on acquisition is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associated company's profit or loss in the period in which the investment is acquired.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Associated company (cont'd)

Unrealised gains on transaction between the Group and its associated company are eliminated to the extent of the Group's interest in the associated company. Unrealised losses are also eliminated to the extent of the Group's interest, unless the transaction provides evidence of impairment of the asset transferred.

Equity accounting is discontinued when the carrying amount of the investment in an associated company diminishes by virtue of losses to zero, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associated company.

The results and reserves of associated company is accounted for in the consolidated financial statements based on audited financial statements made up to the end of the financial year and prepared using accounting policies that conform to those used by the Group for like transactions in similar circumstances.

(i) Financial assets

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

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

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial assets (cont'd)

(ii) Loans and receivables

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

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

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

(iii) Held-to-maturity investments

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

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

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

The Group and the Company does not have any financial assets classified as held-to-maturity investments.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

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

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

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

The Group has designated investment in club memberships as available-for-sale financial assets.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial assets (cont'd)

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

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

(j) Impairment of financial assets

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

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

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

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

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

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

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and deposits at call which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Construction contracts

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

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

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

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

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

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

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

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

(ii) Property development costs

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

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in 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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

(ii) Property development costs (cont'd)

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

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

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

The excess of revenue recognised in the 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 trade payables.

(n) Inventories

Inventories consist of residential and commercial properties.

Properties held for resale are stated at the lower of cost and net realisable value. Cost includes the relevant cost of land, development expenditure and appropriate proportions of common costs.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

(o) Provisions

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Financial liabilities

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

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

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

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

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

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

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade and other payables and loans and borrowings.

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Financial guarantee contracts

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

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

(r) Borrowing costs

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

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

(s) Employee benefits

Defined contribution plans

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

(t) Leases

(i) As lessee

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) Leases (cont'd)

(ii) As lessor

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

(u) Revenue

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

(i) Construction revenue

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2(l).

(ii) Sales of properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2(m) (ii).

Revenue from sale of completed property units is recognised upon the transfer of risk and rewards.

(iii) Project management, administrative service and support service

Revenue from project management, administrative service and support service is recognised when the service has been rendered and accounted for on accrual basis.

(iv) Dividend income

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

(v) Interest income

Interest income is recognised using the effective interest method.

(vi) Rental income

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Income taxes

(i) Current tax

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

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

(ii) Deferred tax

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

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

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Income taxes (cont'd)

(ii) Deferred tax (cont'd)

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

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

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

(w) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

(x) Share capital and share issuance expenses

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

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

(y) Contingencies

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

(i) Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting that may have significant effect on the amounts recognised in the financial statements.

(ii) Key Sources of Estimation Uncertainty

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

(a) Useful lives of plant and equipment

The Group estimates the useful lives of plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. A reduction in the estimated useful lives of the plant and equipment would increase the recorded expenses and decrease the non-current assets.

In addition, the estimation of the useful lives of plant and equipment are based on the internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timings of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the plant and equipment would increase the recorded expenses and decrease the non-current assets.

(b) Impairment of receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's and of the Company's receivable at the reporting date is disclosed in Note 20.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

(ii) Key Sources of Estimation Uncertainty (cont'd)

(c) Property development

The Group recognises property development revenue and expenses in the statement of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date 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 amounts of assets and liabilities of the Group arising from property development activities are disclosed in Note 14.

(d) Construction contracts

The Group recognises contract revenue by reference to the stage of completion of the contract activity at the reporting date, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion.

In making these estimates, management has relied on past experience and the work of specialists. The carrying amounts of assets and liabilities arising from construction contracts at the reporting date are disclosed in Note 22 to the financial statements.

(e) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income tax expenses are disclosed in Note 11 to the financial statements.

(f) Deferred taxation

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in Note 27 to the financial statements.

4. REVENUE

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Construction revenue	21,354,937	29,789,577	-	-
Sale of properties	10,749,278	11,511,942	-	-
Administrative fees	-	-	1,695,086	1,629,773
Support service fees	-	-	185,200	162,000
Gross dividend income from a subsidiary	-	-	-	5,000,000
	32,104,215	41,301,519	1,880,286	6,791,773

5. COST OF SALES

Cost of sales of the Group represents cost of inventories sold, cost of services provided, construction contract costs and development properties sold in proportion to the stage of development property.

6. OTHER INCOME

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Interest income from:				
- amount due from subsidiaries	-	-	2,813,441	2,610,738
- short term deposits	1,372,500	1,041,771	-	-
- sales of properties	190,082	43,007	-	-
Rental income	73,380	42,400	-	-
Gain on disposal of plant and equipment	99,999	35,809	-	-
Administrative income	21,250	43,257	-	-
Reversal of impairment loss on amount due from a subsidiary (Note 20(c))	-	-	526,386	6,639,200
Bad debts recovered	-	144,048	-	-
Miscellaneous income	18,307	18,874	-	-
	1,775,518	1,369,166	3,339,827	9,249,938

7. FINANCE COSTS

	GROUP	
	2013 RM	2012 RM
Interest expense on:		
- bank loans and overdrafts	236,219	306,694
- hire purchase	26,151	16,585
	262,370	323,279

8. PROFIT BEFORE TAX

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

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Audit fee:				
Group auditors				
- current	94,000	98,500	55,000	55,000
- underprovision in prior years	-	7,000	-	7,000
Other auditors				
- current	34,800	37,100	-	-
- overprovision in prior years	(1,800)	-	-	-
Depreciation of plant and equipment (Note 13)	208,302	140,321	1,219	2,796
Plant and equipment written off	372	23,064	-	22,842
Loss on disposal of a subsidiary (Note 16(a))	2,817	-	-	-
Rental of buildings	84,000	97,740	84,000	80,800
Impairment loss on financial assets:				
- trade receivables (Note 20(a))	-	5,641	-	-
Employee benefits expense (Note 9)	1,559,122	1,535,600	1,559,122	1,502,377
Non-executive Directors' remuneration (Note 10)	143,250	137,300	143,250	137,300
Deposits written off	30,720	7,730	-	-
Bad debts written off	13,375	48,962	-	-

9. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Wages, salaries and allowance	1,420,349	1,388,705	1,420,349	1,356,155
Social security contributions	6,879	7,031	6,879	7,031
Contributions to defined contribution plans	131,838	115,516	131,838	114,844
Other benefits	56	24,348	56	24,347
	1,559,122	1,535,600	1,559,122	1,502,377

Included in employee benefits expense of the Group and the Company are executive Directors' remuneration amounting to RM 831,500 (2012 – RM658,445) and RM 831,500 (2012 – RM658,445) respectively.

10. DIRECTORS' REMUNERATION

The details of remuneration receivable by Directors of the Group and the Company during the year are as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Directors of the Company				
Executive:				
Salaries and other emoluments	600,000	499,200	600,000	499,200
Fees	70,000	75,833	70,000	75,833
Bonus	100,000	44,600	100,000	44,600
Defined contribution plans	57,000	35,982	57,000	35,982
Total executive Directors' remuneration (excluding benefits-in-kind)	827,000	655,615	827,000	655,615
Estimated money value of benefits-in-kind	4,500	2,830	4,500	2,830
Total executive Directors' remuneration (including benefits-in-kind) (Note 9)	831,500	658,445	831,500	658,445
Non-executive				
Fees	96,250	105,000	96,250	105,000
Allowances	47,000	32,300	47,000	32,300
Total non-executive Directors' remuneration (Note 8)	143,250	137,300	143,250	137,300
Total Directors' remuneration	974,750	795,745	974,750	795,745

10. DIRECTORS' REMUNERATION (CONT'D)

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2013	2012
Executive Directors		
RM50,001-RM100,000	-	1
RM200,000-RM250,000	-	1
RM300,001-RM350,000	-	1
RM400,001-RM450,000	2	-
Non-executive Directors		
RM50,000 and below	4	4
RM50,001-RM100,000	-	1

11. INCOME TAX (EXPENSE)/BENEFIT

Major components of income tax (expense)/benefit

The major components of income tax (expense)/benefit for the years ended 31 December 2013 and 2012 are:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Statement of comprehensive income:				
Current income tax:				
- Malaysia income tax	(1,215,400)	(3,917,014)	-	-
- (Under)/Overprovision in respect of previous years	(13,246)	299,651	-	361,280
	(1,228,646)	(3,617,363)	-	361,280
Deferred tax income (Note 27):				
- Origination and reversal of temporary differences	72,331	102,115	-	-
Income tax (expense)/benefit recognised during the year	(1,156,315)	(3,515,248)	-	361,280

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

Reconciliation between tax (expense)/benefit and accounting profit

The reconciliation between tax (expense)/benefit and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2013 and 2012 are as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Profit before tax	4,784,878	15,206,672	3,065,338	13,955,475
Tax at Malaysia statutory tax rate of 25% (2012 – 25%)	(1,196,219)	(3,801,668)	(766,335)	(3,488,869)
Adjustments:				
Non-deductible expenses	(221,048)	(201,362)	(48,555)	(47,100)
Income not subject to taxation	266,074	253,240	834,957	3,562,484
Deferred tax assets not recognised	(28,282)	(54,104)	(20,067)	(26,515)
(Under)/overprovision of income tax in respect of previous years	(13,246)	299,651	-	361,280
Others	36,406	(11,005)	-	-
Income tax (expense)/benefit recognised during the year	(1,156,315)	(3,515,248)	-	361,280

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2012 - 25%) of the estimated assessable profit for the year.

Tax savings during the financial year arising from:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Utilisation of current year tax losses	9,125	10,949	-	-
Utilisation of previously unrecognised tax losses	20,751	-	-	-
	29,876	10,949	-	-

12. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflect the profit and share data used in the computation of basic earnings per share for the years ended 31 December:

	GROUP	
	2013 RM	2012 RM
Profit net of tax attributable to shareholders of the Company (RM)	3,679,450	10,596,892
Weighted average number of ordinary shares for basic earnings per share computation	206,756,497	206,756,497
Basic earnings per share (Sen)	1.78	5.13

The calculation of the diluted earnings per share is not applicable.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

13. PLANT AND EQUIPMENT

	Plant and machinery RM	Furniture, fittings and office equipment RM	Motor vehicles RM	Renovation RM	Total RM
Group					
Cost:					
At 1 January 2012	69,999	358,292	1,660,499	131,310	2,220,100
Additions	-	10,473	586,419	-	596,892
Written off	-	(24,026)	-	(53,631)	(77,657)
Disposal	-	-	(793,091)	-	(793,091)
At 31 December 2012 and 1 January 2013	69,999	344,739	1,453,827	77,679	1,946,244
Additions	-	16,133	31,200	-	47,333
Written off	-	(930)	-	-	(930)
Disposals	-	-	(415,338)	-	(415,338)
At 31 December 2013	69,999	359,942	1,069,689	77,679	1,577,309
Accumulated depreciation:					
At 1 January 2012	60,191	286,602	1,346,304	58,835	1,751,932
Depreciation charge for the year (Note 8)	3,975	19,182	109,423	7,741	140,321
Written off	-	(21,502)	-	(33,091)	(54,593)
Disposals	-	-	(675,102)	-	(675,102)
At 31 December 2012 and 1 January 2013	64,166	284,282	780,625	33,485	1,162,558
Depreciation charge for the year (Note 8)	5,832	13,481	181,248	7,741	208,302
Written off	-	(558)	-	-	(558)
Disposals	-	-	(415,337)	-	(415,337)
At 31 December 2013	69,998	297,205	546,536	41,226	954,965
Net carrying amount:					
At 31 December 2012	5,833	60,457	673,202	44,194	783,686
At 31 December 2013	1	62,737	523,153	36,453	622,344

Assets held under finance lease

The carrying amount of motor vehicles of the Group acquired under hire purchase agreements are RM476,808 (2012– RM647,408). Leased assets are pledged as security for the related finance lease liabilities (Note 24).

13. PLANT AND EQUIPMENT (CONT'D)

	Furniture, fittings and office equipment RM	Renovation RM	Total RM
Company			
Cost:			
At 1 January 2012	52,631	53,631	106,262
Additions	4,819	-	4,819
Written off	(22,326)	(53,631)	(75,957)
At 31 December 2012 and 1 January 2013	35,124	-	35,124
Additions	4,305	-	4,305
Written off	-	-	-
At 31 December 2013	39,429	-	39,429
Accumulated depreciation:			
At 1 January 2012	44,581	33,092	77,673
Depreciation charge for the year (Note 8)	2,796	-	2,796
Written off	(20,023)	(33,092)	(53,115)
At 31 December 2012 and 1 January 2013	27,354	-	27,354
Depreciation charge for the year (Note 8)	1,219	-	1,219
At 31 December 2013	28,573	-	28,573
Net carrying amount:			
At 31 December 2012	7,770	-	7,770
At 31 December 2013	10,856	-	10,856

14. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

	Freehold land RM	Leasehold land RM	Total RM
Group			
At 1 January 2013	39,523,201	27,245,573	66,768,774
Additions	1,560,919	385,498	1,946,417
Reversal	(5,840)	-	(5,840)
At 31 December 2013	41,078,280	27,631,071	68,709,351
At 1 January 2012	2,500,000	61,558,580	64,058,580
Additions	2,607,873	1,679,057	4,286,930
Reclassification	35,992,064	(35,992,064)	-
Reversal of land transactions	(1,576,736)	-	(1,576,736)
At 31 December 2012	39,523,201	27,245,573	66,768,774

The land under development with carrying value of RM47,807,548 (2012 – RM45,874,941) has been pledged as security for banking facilities granted to the Group (Note 24).

(b) Property development costs

	Freehold RM	Development RM	Total RM
Group			
At 31 December 2013			
Cumulative property development costs			
At 1 January 2013	55,172,332	19,532,435	74,704,767
Costs incurred during the year	-	9,288,643	9,288,643
Impairment loss on property development cost brought forward	-	(289,560)	(289,560)
Reversal of completed projects	(2,679,300)	(9,269,940)	(11,949,240)
At 31 December 2013	52,493,032	19,261,578	71,754,610
Cumulative costs recognised in profit or loss			
At 1 January 2013			(7,525,621)
Recognised during the year			(11,683,452)
Reversal of completed projects			11,949,239
At 31 December 2013			(7,259,834)
Property development costs at 31 December 2013			64,494,776

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

(b) Property development costs (cont'd)

	Freehold land RM	Leasehold land RM	Total RM
Group			
At 31 December 2012			
Cumulative property development costs			
At 1 January 2012	64,769,639	14,958,138	79,727,777
Costs incurred during the year	-	9,235,847	9,235,847
Impairment loss on property development cost brought forward	-	(289,560)	(289,560)
Reversal of completed projects	(9,188,847)	(4,655,550)	(13,844,397)
At 31 December 2012	55,580,792	19,248,875	74,829,667
Cumulative costs recognised in profit or loss			
At 1 January 2012			(12,229,463)
Recognised during the year			(9,549,015)
Reversal of completed projects			13,844,397
At 31 December 2012			(7,934,081)
Property development costs at 31 December 2012			66,895,586

The property development costs with carrying value of RM 47,547,586 (2012 – RM52,297,421) has been pledged as security for banking facilities granted to the Group (Note 24).

15. GOODWILL ON CONSOLIDATION

	GROUP 2013 RM	GROUP 2012 RM
Cost		
At 1 January/31 December	3,280	3,280
Accumulated impairment		
At 1 January/31 December	3,280	3,280
Net carrying amount	-	-

16. INVESTMENT IN SUBSIDIARIES

	COMPANY 2013 RM	COMPANY 2012 RM
Unquoted shares, at costs	111,506,990	111,506,990
Impairment loss	(18,565,807)	(18,565,807)
	92,941,183	92,914,183
Discount on loans to subsidiaries	16,412,737	16,412,737
	109,353,920	109,353,920

Details of the subsidiaries are as follows:

	Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest 2013	Proportion (%) of ownership interest 2012
	Held by the Company:				
	UH Industries & Development Sdn. Bhd.	Property development and provision of project management and administrative services	Malaysia	100	100
	UH Capital Sdn. Bhd.	Property development	Malaysia	100	100
+	Bertam Development Sdn. Bhd.	Property development, investment holding and general contractors	Malaysia	100	100
+	Budaya Identiti Sdn. Bhd.	Property and plantation development	Malaysia	100	100
	Syarikat Sungei Buan Sdn. Bhd.	Property development	Malaysia	100	100
	Dove Industries Sdn. Bhd.	Property development	Malaysia	100	100
	UH Trading (Johore) Sdn. Bhd.	Temporarily ceased operations	Malaysia	100	100
	UH Trading (Melaka) Sdn. Bhd.	Temporarily ceased operations	Malaysia	100	100
	UH Trading (K.L.) Sdn. Bhd.	Temporarily ceased operations	Malaysia	100	100
	Bertam Minetech Sdn. Bhd.	Property development	Malaysia	100	100
	Subsidiaries of Bertam Development Sdn. Bhd.				
+	Sunrise Avenue Sdn. Bhd.	Property development	Malaysia	100	100
+	Sepakat Heights Sdn. Bhd.	Property development	Malaysia	100	100

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

	Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest 2013	2012
	Subsidiaries of Bertam Development Sdn. Bhd. (cont'd)				
+	Gunung Jaya Sdn. Bhd.	Property development	Malaysia	100	100
+	Antara Megah Sdn. Bhd.	Property development	Malaysia	100	100
+	Bintang Urusjuta (M) Sdn. Bhd.	Property development	Malaysia	-	100
+	Legacy Mega Development Sdn. Bhd.	Property development	Malaysia	100	100
	Budi Halus Sdn. Bhd.	Property development and general contractors	Malaysia	100	100
+	Sunrise Teamtrade Sdn. Bhd.	Property development	Malaysia	51	51
	Subsidiaries of Antara Megah Sdn. Bhd.				
+	Tabur Bakti Sdn. Bhd.	Property development	Malaysia	100	100
+	Suria Pertiwi Sdn. Bhd.	Property development	Malaysia	100	100
	Subsidiary of Syarikat Sungei Buan Sdn. Bhd.:				
	MV Properties Sdn. Bhd.	Property development	Malaysia	70	70

\+ *Not audited by STYL Associates*

(a) Disposal of subsidiary

On 27 February 2013, a wholly owned subsidiary of the Company, Bertam Development Sdn. Bhd., had disposed its entire 100% equity interest in Bintang Urusjuta (M) Sdn. Bhd. for a total cash consideration of RM 75,000.

The disposal had the following effects on the financial position of the Group as at year 2013.

Tax recoverable	(4,542)
Cash and cash equivalents	(74,775)
Trade and other creditors	1,500
Fair value of net identifiable assets	(77,817)
Less: Minority interest	-
Group's interest in fair value of net identifiable assets	(77,817)
Total disposal proceed, net	75,000
Loss on disposal to the Group	(2,817)

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Acquisition of a non-controlling interest subsidiary

On 31 December 2012, a wholly owned subsidiary of the Company, Bertam Development Sdn. Bhd. has subscribed an additional 35 ordinary shares of RM1 each, represents 10% equity interest in Budi Halus Sdn. Bhd. for a cash consideration of RM 500,000 from Metro Millennium Sdn. Bhd.. Accordingly, Budi Halus Sdn. Bhd. became a wholly owned subsidiary of Bertam Development Sdn. Bhd.. The financial effect of this acquisition resulted in a transfer of RM94,344 from non-controlling interests to shareholders' equity.

17. INVESTMENT IN ASSOCIATES

	GROUP 2013 RM
Unquoted shares, at costs	5,047,000
Share of post-acquisition loss	(81,939)
	4,965,061
Represented by:	
Share of net assets other than goodwill	4,387,404
Goodwill on acquisition	659,596
	5,047,000
Share of results of Associates	(81,939)
	4,965,061

Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest 2013
+ GJH Ventures Sdn. Bhd.	Investment holding	Malaysia	49
+ GJH Ventures Sdn. Bhd.	Investment holding	Malaysia	49

- • All the associate companies are using equity method
- \+ Not audited by STYL Associates

17. INVESTMENT IN ASSOCIATES (CONT'D)

The summarised financial information of the associate is as follow:

	GROUP 2013 RM	GROUP 2012 RM
Assets and liabilities		
Total assets	165,666,626	-
Total liabilities	148,430,635	-
Results		
Revenue	-	-
Loss for the financial year	321,167	-

18. CLUB MEMBERSHIPS

	GROUP 2013 RM	GROUP 2012 RM
Investment in club memberships, at cost	86,000	86,000
Investment in club memberships, at fair value	100,000	100,000

19. INVENTORIES

	GROUP 2013 RM	GROUP 2012 RM
Cost		
Properties held for sale	2,596,207	1,076,577
Net realisable value		
Properties held for sale	1,327,000	1,327,000
	3,923,207	2,403,577

20. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Current				
Trade receivables				
Third parties	45,797,234	31,529,599	-	-
Less: Allowance for impairment	(18,674,581)	(18,827,102)	-	-
Trade receivables, net	27,122,653	12,702,497	-	-
Other receivables				
Sundry receivables	27,108,064	16,994,458	1,324,744	1,734,863
Amounts due from subsidiaries	-	-	53,366,193	52,434,437
Refundable deposits	5,625,982	3,554,889	-	400
	32,734,046	20,549,347	54,690,937	54,169,700
Less: Allowance for impairment				
Sundry receivables	(64,003)	(118,034)	-	-
Amounts due from subsidiaries	-	-	(51,494,246)	(52,020,632)
	(64,003)	(118,304)	(51,494,246)	(52,020,632)
Other receivables, net	32,670,043	20,431,313	3,196,691	2,149,068
Total current trade and other receivables	59,792,696	33,133,810	3,196,691	2,149,068
Non-current				
Other receivables				
Amounts due from subsidiaries	-	-	36,101,384	33,287,100
Total trade and other receivables (current and non-current)	59,792,696	33,133,810	39,298,075	35,436,168
Add: Cash and bank balances (Note 23)	22,724,357	57,273,905	41,067	80,605
Total loans and receivables	82,517,053	90,407,715	39,339,142	35,516,773

20. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

Trade receivables are non-interest bearing and the Group generally allows a credit period of 14 to 90 days (2012 - 14 to 90 days) to property purchasers and other customers. They are recognised at their original invoice amounts which represent their values on initial recognition.

Ageing analysis of trade receivables

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

	GROUP	
	2013	2012
	RM	RM
Neither past due nor impaired	8,649,516	9,019,408
1 to 30 days due not impaired	2,192,184	89,640
31 to 60 days past due not impaired	122,829	1,081,975
61 to 90 days past due not impaired	4,200,000	87,980
More than 91 days past due not impaired	11,958,124	2,423,494
	18,473,137	3,683,089
Impaired	18,674,581	18,827,102
	45,797,234	31,529,599

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group. More than 38% (2012 - 65%) of the Group's trade receivables arise from customers with more than a year of experience with the Group and losses have occurred infrequently.

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM 18,473,137 (2012 – RM3,683,089) that are past due at the reporting date but not impaired. These balances mainly relate to customers that have good track records with the Group and are closely monitored by the management.

20. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	GROUP Individually impaired	
	2013 RM	2012 RM
Trade receivables – nominal amounts	19,992,072	24,627,644
Less: Allowance for impairment	(18,674,581)	(18,827,102)
	1,317,491	5,800,542

There are no balances that are collectively determined to be impaired.

Movement in allowance accounts:

	GROUP	
	2013 RM	2012 RM
At 1 January	18,827,102	19,080,537
Charge for the year (Note 8)	-	5,641
Written off for the year	(152,521)	(259,076)
At 31 December	18,674,581	18,827,102

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Including in trade receivables of the Group are:

(i) An amount of RM1,317,516 (2012 – RM1,317,516) due from a property buyer which is currently under legal proceedings. Concentration of credit risk with respect to trade receivables of property buyers is limited by withholding legal ownership before the full consideration is received.

The Directors has assessed the status and of the opinion that no allowance for impairment is required.

(ii) Allowance for impairment amounting to RM18,144,866 (2012 – RM18,144,866) in respect of trade receivables of the manufacturing division which ceased operations in 2004.

20. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Amounts due from subsidiaries

Amounts due from subsidiaries are unsecured, interest-free and repayable on demand, except for non-current position which is not expected to be recovered within 12 months.

(c) Sundry receivables (Current)

Included in sundry receivables of the Group is stakeholders' sum of RM4,347,374 (2012 – RM13,054,443) which represents retention sums held by solicitors upon handling over of vacant possession to individual purchasers of development properties. This amount will be released from 6 to 18 months after the delivery of vacant possession together with interest earned.

Included in sundry receivables of the Group is an amount due from associates which is unsecured, interest-free and repayable on demand, except for non-current position which is not expected to be recovered within 12 months.

Other receivables that is impaired

At the reporting date, the Company has provided an allowance of RM51,494,246 (2012 – RM52,020,632) for impairment of the unsecured amounts due from subsidiaries with a nominal amount of RM51,524,057 (2012 – RM52,434,437).

Movement in allowance accounts:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
At 1 January	118,034	118,034	52,020,632	58,659,832
Charge for the year				
Reversal for the year				
- amount due from a subsidiary (Note 6)	-	-	(526,386)	(6,639,200)
Bad debts written off	(54,031)	-	-	-
At 31 December	64,003	118,034	51,494,246	52,020,632

(d) Refundable deposits

Included in refundable deposits is deposit paid of RM3,200,000 (2012 – RM3,200,000) to the landowner before the landowner's entitlement crystallises in relation to the agreement entered into between the Group and the landowner to develop properties on land belonging to the landowner.

21. OTHER CURRENT ASSETS

	GROUP 2013 RM	GROUP 2012 RM
Progress billings in respect of property development	475,960	1,691,777
Amount due from customers for contract work in progress (Note 22)	4,713,279	-
	5,189,239	1,691,777

22. GROSS AMOUNT DUE TO CUSTOMERS FOR CONTRACT WORK IN PROGRESS

	GROUP 2013 RM	GROUP 2012 RM
Construction contract costs incurred to date	10,259,613	78,558,605
Attributable profits	3,880,333	54,346,123
	14,139,946	132,904,728
Less: Progress billings	(9,426,667)	(139,679,851)
	4,713,279	(6,775,123)
Presented as:		
Gross amount due to customers for contract work in progress (Note 26)	-	(6,775,123)
Gross amount due from customers for contract work in progress (Note 21)	4,713,279	-

23. CASH AND BANK BALANCES

	GROUP 2013 RM	GROUP 2012 RM	COMPANY 2013 RM	COMPANY 2012 RM
Cash at banks and on hand	616,952	1,337,376	41,067	80,605
Short term deposits with licensed banks	22,107,405	55,936,529	-	-
Cash and bank balances	22,724,357	57,273,905	41,067	80,605

Included in cash at banks of the Group are amounts of RM208,336 (2012 – RM82,701) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1965 and are restricted from use in other operations.

23. CASH AND BANK BALANCES (CONT'D)

Included in deposits with licensed banks of the Group are deposits amounting to RM267,251 (2012 – RM238,355) which are pledged as security for bank guarantees granted in favour of authorities in connection with property development and construction contracts activities.

Short-term deposits are made for varying periods, between one day and 365 days depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit fixed rates. The weighted average interest rates during the financial year and the average maturities of deposits as at 31 December were as follows:

	GROUP	
	2013 RM	2012 RM
License banks		
Weighted average interest rates (%)	2.85	2.99
Average maturities (days)	297	30

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the reporting date:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash and short term deposits	22,724,357	57,273,905	41,067	80,605
Bank overdrafts (Note 24)	(4,407,767)	(5,421,250)	-	-
Cash and cash equivalents	18,316,590	51,852,655	41,067	80,605

24. LOANS AND BORROWINGS

		GROUP	
	Maturity	2013 RM	2012 RM
Current			
Secured:			
Term loans and bridging loan at BLR + 0.5% to 2.0% p.a	2014	1,564,086	1,013,620
Bank overdrafts at BLR + 1.25% to 2.0% p.a	On demand	4,407,767	5,421,250
Hire purchase payables (Note 30)	2014	103,132	103,905
		6,074,985	6,538,775

24. LOANS AND BORROWINGS (CONT'D)

	Maturity	GROUP 2013 RM	GROUP 2012 RM
Non-current			
Secured:			
Term loans and bridging loan at BLR + 0.5% to 2.0% p.a	2015	21,026,560	21,680,377
Hire purchase payables (Note 30)	2015-2019	318,216	421,348
		21,344,776	22,101,725
Total loans and borrowings			
Secured:			
Term loans and bridging loan at BLR + 0.5% to 2.0% p.a	2014-2015	22,590,646	22,693,997
Bank overdrafts at BLR + 1.25% to 2.0% p.a	On demand	4,407,767	5,421,250
Hire purchase payables (Note 30)	2014-2019	421,348	525,253
		27,419,761	28,640,500

The remaining maturities of the loans and borrowings as at 31 December are as follows:

	GROUP 2013 RM	GROUP 2012 RM
On demand or within one year	6,074,985	6,538,775
More than 1 year and less than 2 years	12,234,740	756,948
More than 2 years and less than 5 years	9,054,609	21,225,566
More than 5 years	55,427	119,211
	27,419,761	28,640,500

Term loans and bridging loan at BLR + 0.5% to 2.0% p.a

The term loans and bridging loan taken by the Group was secured as follows:

(i) Legal charges over certain lands under development and held for development of the Group as disclosed in Note 14 to the financial statements;

(ii) Corporate guarantee from the Company and certain subsidiaries of the Group; and

(iii) Specific debenture incorporating first fixed and floating charges over all assets in relation to the Project.

24. LOANS AND BORROWINGS (CONT'D)

Bank overdrafts at BLR + 1.25% to 2.0% p.a

Bank overdrafts are denominated in RM, bear interest at BLR + 1.25% to 2.0% p.a. These overdraft facilities were taken by Bertam Development Sdn. Bhd., a wholly owned subsidiary of the Company, secured by legal charge over few pieces of lands owned by a wholly owned subsidiary company, joint and several guarantees by Directors of the Group and corporate guarantees by the Company and a subsidiary company (Note 31(a)).

Hire purchase payables

These obligations are secured by a charge over the leased assets (Note 13). The average discount rate implicit in the leases is 2.29% to 4.00% (2012 - 2.29% to 4.00%) per annum.

25. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Current				
Trade payables				
Third parties	4,186,429	3,627,919	-	-
Retention sums	2,256,643	144,167	-	-
	6,443,072	3,772,086	-	-
Other payables				
Accruals	524,714	677,228	229,250	240,833
Other payables and provisions	12,921,482	7,626,165	18,784	18,728
Deposit received	2,333,900	2,310,400	-	-
Prepayment	478,200	494,040	-	-
Amount due to directors	496,000	-	-	-
Amounts due to subsidiaries companies	-	-	2,234,674	1,500,302
	16,754,296	11,107,833	2,482,708	1,759,863
Total current trade and other payables	23,197,368	14,879,919	2,482,708	1,759,863
Non-current				
Trade payables				
Retention sums	932,095	1,983,482	-	-
Total trade and other payables (current and non-current)	24,129,463	16,863,401	2,482,708	1,759,863
Add: Loans and borrowings (Note 24)	27,419,761	28,640,500	-	-
Total financial liabilities	51,549,224	45,503,901	2,482,708	1,759,863

25. TRADE AND OTHER PAYABLES (CONT'D)

(a) Trade payables

These amounts are non-interest bearing. The normal trade credit term granted to the Group ranges from 14 days to 90 days (2012 - 14 days to 90 days).

Included in trade payables of the Group are as follows:

Retention sums for property development and construction contracts are payable upon the expiry of the defects liability period of the respective property development and construction contracts. Retention sums are unsecured, interest-free and are expected to be paid as follows:

	GROUP	
	2013 RM	2012 RM
Within one year	2,256,642	144,167
More than 1 year and less than 2 years	932,095	1,983,482
	3,188,737	2,127,649

(b) Other payables and provisions

These amounts are non-interest bearing and the normal trade credit term granted to the Group ranges from 14 to 90 days (2012 - 14 to 90 days).

Included in other payables of the Group are as follows:

(i) RM1,516,570 (2012 - RM1,516,570) owing to Brem Development Sdn. Bhd. a shareholder of the Company.

(ii) RM4,305,022 (2012 – RM3,536,924) owing to Miramas Development Sdn. Bhd. a shareholder of the Company in relation to advance given for the purchase of land.

(iii) In year 2012, there is an amount of RM238,736 owing to Purplestar Land (M) Sdn. Bhd. in relation to landowner's entitlement.

(c) Amounts due to subsidiaries

These amounts are unsecured, non-interest bearing and are payable on demand.

(d) Amount due to directors

These amounts are unsecured, non-interest bearing and are payable on demand.

(e) Deposit received

Included in deposit received of the Group is deposit from a developer of RM2,300,000 (2012 – RM2,300,000) pursuant to the agreement entered into between the Group and the developer to develop properties on land belonging to the Group.

26. OTHER CURRENT LIABILITES

	GROUP 2013 RM	2012 RM
Progress billings in respect of property development	-	-
Amount due to customers for contract work in progress (Note 22)	-	6,775,123
	-	6,775,123

27. DEFERRED TAX LIABILITIES

Deferred income tax as at 31 December relates to the following:

	As at 1 January 2012 RM	Recognised in profit or loss RM (Note 11)	As at 31 December 2012 RM	Recognised in profit or loss RM (Note 11)	As at 31 December 2013 RM
Deferred tax liabilities:					
Plant and equipment	40,715	(10,715)	30,000	-	30,000
Revaluation surplus of land held for property development	5,846,437	(102,115)	5,744,322	(72,331)	5,671,991
	5,887,152	(112,830)	5,774,322	(72,331)	5,701,991
Deferred tax assets:					
Tax losses and unabsorbed Capital allowances	(10,715)	10,715	-	-	-
Others	-	-	-	-	-
	(10,715)	10,715	-	-	-
Net	5,876,437	(102,115)	5,774,322	(72,331)	5,701,991

27. DEFERRED TAX LIABILITIES (CONT'D)

Deferred income tax as at 31 December relates to the following (cont'd):

	As at 1 January 2012 RM	Recognised in profit or loss RM (Note 11)	As at 31 December 2012 RM	Recognised in profit or loss RM (Note 11)	As at 31 December 2013 RM
Company					
Deferred tax liabilities:					
Plant and equipment	4,249	(4,249)	-	-	-
Deferred tax assets:					
Tax losses and unabsorbed capital allowances	(4,249)	4,249	-	-	-
Net	-	-	-	-	-

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Presented after appropriate offsetting as follows:				
Deferred tax assets	-	-	-	-
Deferred tax liabilities	5,701,991	5,774,322	-	-
	5,701,991	5,774,322	-	-

Deferred tax assets not recognised are as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Unabsorbed capital allowances	142,058	74,013	4,878	-
Unutilised tax losses	30,050,212	29,914,658	705,253	607,988
Other temporarily differences	(27,229)	172	58,659,832	58,659,832
	30,165,041	29,988,843	59,369,963	59,267,820

The unabsorbed capital allowances and unutilised tax losses of the Group and of the Company are available for offset against future taxable profits subject to guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of the above items as it is not probable that future taxable profits will be available against which they may be utilised.

28. SHARE CAPITAL

	Number of shares of RM 1 each 2013	2012	Amount 2013 RM	2012 RM
Authorised				
At 1 January/31 December	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Issues and fully paid				
At 1 January/31 December	206,756,497	206,756,497	206,756,497	206,756,497

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

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

	COMPANY 2013 RM	2012 RM
(a) Transactions with subsidiaries:		
Administration fees	1,695,086	1,629,773
Support service fees	185,200	162,000

	GROUP 2013 RM	2012 RM
(b) Transaction with a corporate shareholder which has a substantial interest in the Company:		
Brem Holding Berhad		
Office rental	84,000	84,000
(c) Transaction with a company in which persons connected to a substantial shareholder have substantial controlling interest:		
Nikmat Maju Development Sdn. Bhd.		
Office rental	-	10,800

29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

The Directors are of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are mutually agreed between the parties.

(d) Compensation of key management personnel

The remuneration of other members of key management during the year was as follows:

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Short-term employee benefits	123,424	143,656	123,424	143,656
Defined contribution plans	13,971	16,296	13,971	16,296
	137,395	159,952	137,395	159,952

30. COMMITMENTS

The Group have finance leases for motor vehicles as disclosed in Note 13 to the financial statements.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	GROUP	
	2013 RM	2012 RM
Minimum hire purchase payments:		
Not later than 1 year	122,744	130,018
Later than 1 year and not later than 2 years	94,466	122,744
Later than 2 years and not later than 5 years	203,976	230,450
Later than 5 years	56,596	124,588
Total minimum lease payments	477,782	607,800
Less: Future finance charges	(56,434)	(82,547)
Present value of minimum lease payments	421,348	525,253
Present value of payments:		
Not later than 1 year	103,132	103,905
Later than 1 year and not later than 2 years	80,621	103,132
Later than 2 years and not later than 5 years	182,168	199,005
Later than 5 years	55,427	119,211
Present value of minimum lease payments (Note 24)	421,348	525,253
Less: Amount due within 12 months (Note 24)	(103,132)	(103,905)
Amount due after 12 months (Note 24)	318,216	421,348

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken.

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

(a) Credit risk

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

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Investments are acquired after assessing the quality of the relevant investments. Cash and cash equivalent is placed with reliable financial institution.

Exposure to credit risk

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

- The carrying amount of each class of financial assets recognised in the statements of financial position.

- A nominal amount of RM60,520,000 (2012 – RM68,520,000) relating to corporate guarantees to financial institutions for banking facilities granted to certain subsidiaries.

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

(a) Credit risk (cont'd)

Exposure to credit risk (cont'd)

The Company has provided the following guarantees at the reporting date:

	COMPANY	
	2013 RM	2012 RM
Unsecured:		
(a) Guarantees to financial institution for facilities granted to subsidiary companies	2,500,000	2,500,000
(b) Guarantees to a third party as security for performance of a subsidiary's undertakings, convenants, duties and obligations contained in the signed agreement	-	8,000,000
(c) Guarantees to financial institutions for banking facilities granted to finance the working capital and construction of projects undertaken by a subsidiary company	58,020,000	58,020,000
	60,520,000	68,520,000

The banking facilities utilised as at 31 December 2013 amounted to RM26,998,413 (2012 – RM28,115,247) for guarantees provided.

The Directors consider that the fair value of these guarantees at the date of inception was minimal and understand the repayment was on schedule and in the case of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding loan principals together with the accrued interest and penalties. Therefore, no provision has been made in the financial statements for the guarantees.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 20.

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

(a) *Credit risk (cont'd)*

Credit risk concentration profile

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

	<-----GROUP		----->	
	2013 RM	% of total	2012 RM	% of total
By business segments:				
Property development	9,720,416	36%	6,822,076	54%
Construction	17,402,237	64%	5,880,421	46%
	27,122,653	100%	12,702,497	100%

At the reporting date, approximately 85% (2012 – 85%) of the Group's trade receivables were due from 3 (2012 – 3) major customers of property development segment and construction segment.

The concentration of credit risk of these purchasers is mitigated by the terms of the sale and purchase agreements in which the land titles will only be transferred to the purchasers upon full settlement of the whole amounts due as well as the right of the Group in seeking specific performance for the purchasers to complete the sale.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 20. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

(b) *Liquidity risk*

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

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

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM	One to five years RM	Total RM
	<-------------------------	2013	------------------------->
Group			
Finance liabilities:			
Trade and other payables (Note 25)	23,197,368	932,095	24,129,463
Loans and borrowings (Note 24)	6,074,985	21,344,776	27,419,761
Total undiscounted financial liabilities	29,272,353	22,276,871	51,549,224
Company			
Finance liability			
Trade and other payables (Note 25)	2,482,708	-	2,482,708
Total undiscounted financial liability	2,482,708	-	2,482,708

	On demand or within one year RM	One to five years RM	Total RM
	<-------------------------	2012	------------------------->
Group			
Finance liabilities:			
Trade and other payables (Note 25)	14,879,919	1,983,482	16,863,401
Loans and borrowings (Note 24)	6,538,775	22,101,725	28,640,500
Total undiscounted financial liabilities	21,418,694	24,085,207	45,503,901
Company			
Finance liability:			
Trade and other payables (Note 25)	1,759,863	-	1,759,863
Total undiscounted financial liability	1,759,863	-	1,759,863

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

(c) *Interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Details of interest rates are disclosed in the respective notes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM4,274 higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings; and higher/lower interest income from floating rate fixed deposits. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) *Foreign exchange risk*

The Group is not exposed to any foreign exchange risk as it operates in Malaysia and all transactions, monetary assets and liabilities are denominated in Ringgit Malaysia.

(e) *Fair value*

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

- Trade and other receivables (Note 20)
- Trade and other payables (Note 25)

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

The methods and assumptions used by management to determine fair values of financial instruments other than those whose carrying amounts reasonably approximate their fair values are as follows:

Trade and other receivables (non-current) and loans and borrowings (non-current)

Fair value has been determined using discounted estimated cash flows. The discount rates used are the current market incremental lending rates for similar types of lending and borrowings.

32. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2013 and 31 December 2012.

32. CAPITAL MANAGEMENT (CONT'D)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio at an acceptable limit. The Group includes within net debt, loans and borrowings and trade and other payables, less cash and bank balances. Capital includes equity attributable to the shareholders of the Company.

	Note	GROUP 2013 RM	GROUP 2012 RM	COMPANY 2013 RM	COMPANY 2012 RM
Loan and borrowings	24	27,419,761	28,640,500	-	-
Trade and other payables	25	24,129,463	16,863,401	2,482,708	1,759,863
Less: Cash and bank balances	23	(22,724,357)	(57,273,905)	(41,067)	(80,605)
Aggregated indebtedness		28,824,867	(11,770,004)	2,441,641	1,679,258
Equity attributable to the shareholders of the Company, representing total capital		173,011,063	169,331,613	146,251,938	143,186,600
Capital and net debt		201,835,930	157,561,609	148,693,579	144,865,858
Gearing ratio		14%	-	2%	1%

33. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

I. Property development - develop property for sale and/or holds properties for its own investment purposes.

II. Construction - construction of residential, additions and alterations, refurbishment and restoration of buildings.

III. Corporate and others - holding of investments and provision of management services to the companies within the Group.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

No segmental information is provided on a geographical basis as there is no overseas operation within the Group.

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

33. SEGMENTAL INFORMATION (CONT'D)

	Property development		Construction		Corporate and others		Eliminations			Per consolidated financial statements	
	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM	2013 RM	2012 RM	Note	2013 RM	2012 RM
Revenue:											
External sales	10,749,278	11,511,942	21,354,937	29,789,577	1,880,286	1,791,773	(1,880,286)	(1,791,773)		32,104,215	41,301,519
Inter-segment dividends	-	23,400,000	-	-	-	5,000,000	-	(28,000,000)	A	-	-
Total revenue	10,749,278	34,911,942	21,354,937	29,789,577	1,880,286	6,791,773	(1,880,286)	(30,191,773)		32,104,215	41,301,519
Results:											
Segment profit	1,482,045	24,919,165	4,394,280	14,913,788	3,066,557	13,981,113	(3,642,864)	(38,058,397)	B	5,300,018	15,755,669
Other non-cash expenses	(44,467)	(62,555)	-	-	-	(22,842)	-	-	C	(44,467)	(85,397)
Depreciation	(206,988)	(137,429)	(96)	(96)	(1,219)	(2,796)	-	-		(208,303)	(140,321)
Finance costs	(262,370)	(323,279)	-	-	-	-	-	-		(262,370)	(323,279)
Profit before tax	968,220	24,395,902	4,394,184	14,913,692	3,065,338	13,955,475	(3,642,864)	(38,058,397)		4,784,878	15,206,672
Income tax (expense)/ benefit	(24,542)	(234,123)	(1,131,773)	(3,744,520)	-	361,280	-	102,115		(1,156,315)	(3,515,248)
Profit net of tax	943,678	24,161,779	3,262,411	11,169,172	3,065,338	14,316,755	(3,642,864)	(37,956,282)		3,628,563	11,691,424
Assets:											
Additions to non-current assets	1,989,445	4,879,003	-	-	4,305	4,819	-	-	D	1,993,750	4,883,822
Segment assets	268,766,827	266,755,338	27,098,438	19,505,113	148,730,341	144,941,643	(215,716,436)	(206,853,037)	E	228,879,170	224,349,057
Total assets	270,756,272	271,634,341	27,098,438	19,505,113	148,734,646	144,946,462	(215,716,436	(206,853,037)		230,872,920	229,232,879
Liabilities:											
Segment liabilities representing total liabilities	219,524,566	221,355,920	22,854,856	18,523,942	2,482,708	1,759,863	(187,070,080)	(181,859,153)	F	57,792,050	59,780,572

33. SEGMENTAL INFORMATION (CONT'D)

A Inter-segment revenues are eliminated on consolidation.

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

	2013 RM	2012 RM
Dividend income from subsidiaries	-	(28,400,000)
Realisation of revaluation surplus	(289,323)	(408,459)
Loss on disposal of a subsidiary	(13,715)	-
Interest income on amount due from subsidiaries	(2,813,441)	(2,610,738)
Reversal of impairment loss on amount due from a subsidiary	(526,386)	(6,639,200)
	(3,642,865)	(38,058,397)

C Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	Note	2013 RM	2012 RM
Impairment loss on trade receivables	20	-	5,641
Deposits written off	8	30,720	7,730
Bad debts written off	8	13,375	48,962
Plant and equipment written off	8	372	23,064
		44,467	85,397

D Additions to non-current assets consist of:

	2013 RM	2012 RM
Plant and equipment	47,333	596,892
Land held for property development	1,946,417	4,286,930
	1,993,750	4,883,822

33. SEGMENTAL INFORMATION (CONT'D)

E The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2013 RM	2012 RM
Inter-segment assets	(215,716,436)	(206,853,037)

F The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2013 RM	2012 RM
Inter-segment liabilities	(187,070,080)	(181,859,153)

Information about a major customer

Revenue from one major customer amount to RM 21,354,937 (2012 – RM29,789,577), arising from sales by the construction segment.

34. DIVIDENDS

	Dividends recognised in year 2012 RM
In respect of financial year ended 31 December 2012	
Single-tier interim dividend on 2 sen on 206,756,497 ordinary shares paid on 8 November 2012	4,135,130

A single-tier interim dividend in respect of the financial year ended 31 December 2013 of 1 sen per share on 206,756,497 ordinary shares, amounting to dividend payable of RM 2,067,565, was approved by the Board of Directors on 26 February 2014 and paid on 28 March 2014.

35. SIGNIFICANT EVENTS

(a) Bonus issue by a wholly owned subsidiary

On 21 February 2013, a wholly owned subsidiary of the Company, Bintang Urusjuta (M) Sdn. Bhd. ("BUMSB") has increased its issued and paid up share capital from RM 40,002 divided into 40,002 ordinary shares of RM 1 each to RM75,000 divided into 75,000 ordinary shares of RM 1 each by issued of 34,998 new ordinary shares of RM 1 each as bonus issue to existing shareholder in the proportion of approximately seven new fully paid up ordinary shares for every eight existing ordinary shares held. The bonus issue is distributed and credited as fully paid by capitalising the sum of RM34,998 from the accumulated profit account.

(b) Disposal of Bintang Urusjuta (M) Sdn. Bhd.

On 27 February 2013, a wholly owned subsidiary of the Company, Bertam Development Sdn. Bhd. ("BDSB"), has disposed its entire equity interest of 75,000 ordinary shares of RM 1 each in BUMSB to GJH Ventures Sdn. Bhd. ("GJHVSB"), for a cash consideration of RM 75,000.

(c) Investment in associate: GJH Ventures Sdn. Bhd.

On 1 July 2013, the Company subscribed 49 ordinary shares of RM 1 each in GJHVSB, a company incorporated in Malaysia, for a total consideration of RM 49. The subscription of shares representing 49% of the equity interest in GJHVSB, hence has rendered GJHVSB becomes an associate company of the Group.

(d) Additional investment in associate: GJH Ventures Sdn. Bhd.

On 1 August 2013, BDSB further subscribed 146,951 ordinary shares of RM 1 each in GJHVSB, for a cash consideration of RM 146,951. The subscription of shares representing 49% of the equity interest in GJHVSB, hence GJHVSB remained as an associate company of the Group.

(e) Investment in associate: GJH Prestige Sdn. Bhd.

On 26 December 2013, BDSB subscribed 4,900,000 ordinary shares of RM 1 each in GJH Prestige Sdn. Bhd., a company incorporated in Malaysia, for a total consideration of RM 4,900,000. The subscription of shares representing 49% of the equity interest in GJH Prestige Sdn. Bhd., hence has rendered GJH Prestige Sdn. Bhd. becomes an associate company of the Group.

(f) Turnkey contract

On 29 August 2012, a wholly owned subsidiary of the Company, Dove Industries Sdn. Bhd. ("DOVE") has entered into an agreement with Harmony Property Sdn. Bhd. ("HPSB") to act as turnkey main contractor for HPSB for a mix development project in Mukim Ulu Kelang, Wilayah Persekutuan Kuala Lumpur.

As at to date, the relevant approvals for the said development have not been obtained and on 22 April 2014, both parties have mutually terminated the agreement.

36. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Directors on 23 April 2014.

37. SUPPLEMENTARY EXPLANATORY NOTE ON DISCLOSURE OF REALISED AND UNREALISED LOSSES

The breakdown of the accumulated losses of the Group and of the Company as at 31 December 2013 and 31 December 2012 into realised and unrealised losses is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	GROUP		COMPANY	
	2013 RM	2012 RM	2013 RM	2012 RM
Total accumulated losses of the Group and of the Company				
- Realised	33,154,106	40,370,143	60,504,559	63,569,897
- Unrealised	(30,000)	-	-	-
	33,124,106	40,370,143	60,504,559	63,569,897
Add/(Less): Consolidation adjustments	621,328	(2,945,259)	-	-
Accumulated losses as per financial statements	33,745,434	37,424,884	60,504,559	63,569,897

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

LIST OF PROPERTIES

No.	Properties & Locations	Description	Area/ Built-Up	Tenure	Age Of Building	Net Book Value As At 31 December 2013 (RM'000)	Date of Acquisition or Last Revaluation
1.	PT 3199 ~ PT 3213 Mukim of Jimah District of Port Dickson Negeri Sembilan Darul Khusus	Vacant development land	0.62 acres	Leasehold (expiring on 28/05/2097)	N/A	139	31/12/2009
2.	Lot No. 811 ~ 845, 848 ~ 850 & 853 ~ 862 Mukim Kuah District of Langkawi Kedah Darul Aman	Properties under development	8.7 acres	Freehold	N/A	1,399	4/1/2001
3.	Lot 11340 & Lot 34173 Mukim Seremban District of Seremban Negeri Sembilan Darul Khusus	Vacant development land	2.37 acres	Freehold	N/A	224	30/9/2000 & 12/7/2001
4.	GRN 24697, 52430, 97219 GRN 327, 5833, 5834 GRN 60082, 60247 LOT 186, 2734, 10725 LOT 11613, 5492, 5493 LOT 14129, 8111 Mukim Serom District of Muar Johor Darul Takzim	Vacant development land	270.25 acres	Freehold	N/A	43,100	23/2/2009
5.	PT 32, Batu Tiga Pekan Batu Tiga District of Petaling Selangor Darul Ehsan	Property under development	1.18 acres	Freehold	N/A	871	15/12/2005

LIST OF PROPERTIES
(CONT'D)

No.	Properties & Locations	Description	Area/ Built-Up	Tenure	Age Of Building	Net Book Value As At 31 December 2013 (RM'000)	Date of Acquisition or Last Revaluation
6.	Lot 809 & 810, Batu 8 Jalan Cheras Mukim Cheras District of Hulu Langat Selangor Darul Ehsan	Vacant development land	10.74 acres	Freehold	N/A	32,801	24/3/2011 & 24/8/2011
7.	PT 1346 Mukim Sungai Karang District Of Kuantan Pahang Darul Makmur	Vacant development land	2.5 acres	Freehold	N/A	2,500	12/12/2011
8.	PT 7886 (Formerly PT 4800) Mukim Gemencheh District Of Tampin Negeri Sembilan Darul Khusus	Property under development	485.06 acres	Leasehold (expiring on 18/12/2106)	N/A	6,265	31/1/2012

STATISTICS ON SHAREHOLDINGS
AS AT 23 APRIL 2014

ANALYSIS OF SHAREHOLDINGS AS AT 23 APRIL 2014

Authorised Share Capital	:	RM1,000,000,000.00
Issued and Paid-up capital	:	RM206,756,497.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights per share	:	One vote per Ordinary Share
No. of Shareholders	:	1,515

Size of Holdings	No. of Shareholders	No. of Shares held	% of issued capital
Less than 100	13	603	0.00
100 – 1,000	348	319,931	0.15
1,001 – 10,000	663	3,701,376	1.79
10,001 – 100,000	391	14,917,315	7.22
100,001 to < 5% of issued shares	97	67,471,289	32.63
5% and above of issued shares	3	120,345,983	58.21
Total	**1,515**	**206,756,497**	**100.00**

LIST OF SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 23 APRIL 2014

	Name	No. of shares held of RM1.00 each Direct	(%)	No. of shares held of RM1.00 each Indirect	(%)
1.	Brem Holding Berhad	68,000,000	32.89	-	-
2.	Bond Resources Sdn Bhd	52,345,983	25.32	-	-
3.	Gan See Hing	-	-	52,345,983[(a)]	25.32
4.	Dato' Khoo Chai Kaa	-	-	68,000,000[(b)]	32.89
5.	Datin Lee Lei Choo	-	-	68,000,000[(c)]	32.89

Note:

(a) Deemed interest by virtue of his interest in Bond Resources Sdn Bhd pursuant to Section 6A(4) of the Companies Act, 1965.

(b) Deemed interest by virtue of his interest in Brem Holding Berhad pursuant to Section 6A(4) of the Companies Act, 1965.

(c) Deemed interest by virtue of her interest in Brem Holding Berhad pursuant to Section 6A(4) of the Companies Act, 1965.

STATISTICS ON SHAREHOLDINGS
AS AT 23 APRIL 2014 (CONT'D)

LIST OF DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS AT 23 APRIL 2014

	Name	No. of Shares Direct	%	No. of Shares Indirect	%
1.	Wu Ching Min @ Goh Ching Min	-	-	-	-
2.	Tan Ai Tong	-	-	4,262,000[(a)]	2.06
3.	Low Yew Hwa	-	-	-	-
4.	Hamdan bin Yahya	-	-	-	-
5.	Khoo Hui Giok	-	-	-	-

Note:
(a) Deemed interest by virtue of his interest in VA Trading Sdn Bhd pursuant to Section 6A(4) of the Companies Act, 1965.

THIRTY LARGEST SHAREHOLDERS – PER REGISTER OF DEPOSITORS AS AT 23 APRIL 2014

	Names of Shareholders	No. of Shares held	% of issued capital
1.	Brem Holding Berhad	68,000,000	32.89
2.	HDM Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Bond Resources Sdn Berhad*	40,345,983	19.51
3.	Bond Resources Sdn Berhad	12,000,000	5.80
4.	HDM Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Yau Kim Hian*	7,845,200	3.79
5.	Teh Kim Teck	6,542,000	3.17
6.	Tradema Holdings Sdn Bhd	4,181,000	2.02
7.	HDM Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Classical Glory Sdn Bhd*	3,783,100	1.83
8.	RHB Capital Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Er Ka Wei*	2,716,000	1.31
9.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for V.A Trading Sdn Bhd*	2,400,000	1.16
10.	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Ong King Soon*	2,312,000	1.12
11.	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Cheong Yoon Hoe @ Cheong Jon Ho*	2,074,000	1.00

THIRTY LARGEST SHAREHOLDERS – PER REGISTER OF DEPOSITORS AS AT 23 APRIL 2014 (CONT'D)

	Names of Shareholders	No. of Shares held	% of issued capital
12.	Khow Eng Guan	2,050,000	0.99
13.	V.A. Trading Sdn Bhd	1,862,000	0.90
14.	Lim Suh Siang	1,624,000	0.79
15.	Teng Mee Yoong	1,620,000	0.78
16.	Wei Han Sdn Bhd	1,579,000	0.76
17.	Brem Development Sdn Bhd	1,507,000	0.73
18.	Classical Glory Sdn Bhd	1,189,900	0.58
19.	Tan Cheng Hoy	880,000	0.43
20.	Wong Yoke Moi	790,500	0.38
21.	Voo Kwee Hiong	746,800	0.36
22.	S'ng Soo Eng	727,000	0.35
23.	Malacca Equity Nominees (Tempatan) Sdn Bhd *Exempt AN for Philip Capital Management Sdn Bhd*	670,000	0.33
24.	Soh Teck Ghee	645,999	0.31
25.	Ngan Bee Lee	600,000	0.29
26.	Tan Bee Kheng	570,000	0.28
27.	Molly Poh	547,900	0.27
28.	Khoo Poh Giok	515,000	0.25
29.	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Kalimullah Bin Masheerul Hassan*	500,000	0.24
30.	Ng Ah Yeng	500,000	0.24
	Total	**171,324,382**	**82.86**

FORM OF PROXY

BERTAM ALLIANCE BERHAD (305530-A)
(Incorporated in Malaysia)

I/We ______________________________ NRIC/Passport/Company No. ____________________
(Full Name in Capital Letters)

of ____
(Full Address)

being member(s) of **BERTAM ALLIANCE BERHAD**, hereby appoint ______________________________
(Full Name in Capital Letters)

______________________________ NRIC/Passport/Company No. ______________________________ of

____
(Full Address)

or failing him/her, ______________________________ NRIC/Passport/Company No. ____________________
[Full name in capital letters]

of ____
(Full Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company to be held at Crystal Hall 3, Level 4, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Friday, 20 June 2014 at 11.00 a.m. and at any adjournment thereof. The proxy is to vote in the manner indicated below, with an "X" in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Agenda			
To receive the Audited Financial Statements for the financial year ended 31 December 2013 and the Reports of Directors and Auditors thereon.			
	Resolution	**FOR**	**AGAINST**
To re-elect Low Yew Hwa who retires by rotation pursuant to Article 91 of the Company's Articles of Association.	Ordinary Resolution 1		
To re-elect Wu Ching Min @ Goh Ching Min who retires pursuant to Article 96 of the Company's Articles of Association.	Ordinary Resolution 2		
To approve the payment of Directors' Fees of RM166,250.00 for the financial year ended 31 December 2013.	Ordinary Resolution 3		
To re-appoint Messrs Styl Associates as Auditors of the Company for the financial year ending 31 December 2014 and authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
Special Business			
Authority to Issue Shares.	Ordinary Resolution 5		
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 6		
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 7		

Signed this .... day of .... 2014.

Number of shares held:-	
CDS account no.:-	
Telephone no. (during office hours):-	

____
Signature
Shareholder or Common Seal

Notes:-

i. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 16 June 2014. Only a Member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, speak or vote on his/her behalf.

ii. A member entitled to attend and vote at this meeting is entitled to appoint proxy/proxies to attend, speak and vote in his stead. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

iii. A member may appoint not more than two (2) proxies to attend the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.

iv. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

v. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

vi. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

vii. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Company's Share Registrar at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

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Affix Stamp
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The Share Registrar
BERTAM ALLIANCE BERHAD
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Wilayah Persekutuan

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