ANNUAL REPORT **2017**

CORPORATE **PROFILE**

Glomac was founded on the vision, passion and determination of two entrepreneurs who aspired to develop inspiring places to live and work in. The founders of the Group, Tan Sri Dato' FD Mansor, Group Executive Chairman and Datuk Richard Fong, Group Executive Vice-Chairman, joined forces to establish the Group in 1988 and have since delivered value beyond expectations in every Glomac project.

Currently helmed by Datuk Seri FD Iskandar, Group Managing Director/Chief Executive Officer; today, Glomac Berhad comprises more than 55 subsidiaries with involvement in every facet of the real estate business encompassing property development, property investment, construction, property management and car park management.

Glomac Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 13 June 2000 and has established a trusted reputation as a responsible and visionary property developer with its solid record of developing townships, residential, commercial and mixed development properties.

To-date, the Group has completed more than a total sales value over RM8.5 billion. Moving forward, Glomac is entering into a new phase of growth as it is in the midst of launching more than RM658 million worth of property.

As a long term player committed to escalating our presence in the real estate market, Glomac is continuously planning and designing new projects for our existing landbank, evaluating new landbank opportunities and looking out for new opportunities in the country; with particular focus on the prime Greater KL area where the Group is well established.

CONTENTS

VISION

Our vision is to help improve the quality of life by providing a better place to live or work in. By carrying out this vision, we want to be recognised by our customers, shareholders and employees as a world-class property developer.

MISSION

Our mission as a caring and reliable property developer is to deliver outstanding service, quality products and value for money for our customers. Through dedication, innovation and passion, we are confident about our ability to achieve these goals.

FORWARD

It starts with inspiration. A vision to provide ideal homes, work places and recreational facilities; to create an environment that enhances the quality of our lives. From pen to paper, plan to reality, we build the vision.

Glomac's vision is to enrich our lives in the most fundamental ways – value, quality and service. This is the catalyst of our business and the essence of our success, affirming our reputation as a visionary property developer.

CORPORATE **INFORMATION**

Board Of Directors

Tan Sri Dato' Mohamed Mansor bin Fateh Din
Group Executive Chairman

Datuk Richard Fong Loong Tuck
Group Executive Vice-Chairman

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
Group Managing Director/Chief Executive Officer

Dato' Ikhwan Salim bin Dato' Hj Sujak
Senior Independent Non-Executive Director

Datuk Ali bin Tan Sri Abdul Kadir
Independent Non-Executive Director

YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim
Non-Independent Non-Executive Director

Ms Shan Choo
Independent Non-Executive Director

Datuk Seri Johan bin Abdullah
Non-Independent Non-Executive Director
(Alternate to YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim)

Company Secretaries

Mr Ong Shaw Ching
(MIA 7819)
Pn Haniza binti Sabaran
(MAICSA 7032233)

Audit Committee

Datuk Ali bin Tan Sri Abdul Kadir
Chairman

Dato' Ikhwan Salim bin Dato' Hj Sujak
Member

Ms Shan Choo
Member

Nomination Committee

Dato' Ikhwan Salim bin Dato' Hj Sujak
Chairman

Datuk Ali bin Tan Sri Abdul Kadir
Member

Ms Shan Choo
Member

Remuneration & ESS Committees

Dato' Ikhwan Salim bin Dato' Hj Sujak
Chairman

Datuk Ali bin Tan Sri Abdul Kadir
Member

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor
Member

Registrar

Shareworks Sdn Bhd
2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : +603 6201 1120
Fax : +603 6201 3121

Principal Bankers

AmBank (M) Berhad
Malayan Banking Berhad
HSBC Amanah Malaysia Berhad

Registered Office

Level 15, Menara Glomac
Glomac Damansara
Jalan Damansara
60000 Kuala Lumpur
Tel : +603 7723 9000
Fax : +603 7729 7000

Auditor

Deloitte PLT (AF 0080)
Level 16, Menara LGB
1 Jalan Wan Kadir
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel : +603 7610 8888
Fax : +603 7726 8986

Stock Exchange

Main Market of Bursa Malaysia
Stock Code: 5020

Website

www.glomac.com.my

CORPORATE
STRUCTURE

Property Development

100%	**Glomac Land Sdn Bhd** Saujana Utama I, Sg. Buloh	100%	**Glomac Rawang Sdn Bhd** Saujana Rawang, Rawang	100%	**Magical Sterling Sdn Bhd** Saujana KLIA, Dengkil
100%	**Regency Land Sdn Bhd** Saujana Utama III, Sg. Buloh & Saujana Aman	100%	**Glomac Resources Sdn Bhd** Glomac Galleria, Kuala Lumpur	100%	**Elmina Equestrian Centre (Malaysia) Sdn Bhd** Saujana Utama V
100%	**Glomac Sutera Sdn Bhd** Sri Saujana, Kota Tinggi, Johor	100%	**Glomac Vantage Sdn Bhd** Taman Mahkota Laksamana, Seksyen III, Melaka	100%	**Anugerah Armada Sdn Bhd** (Lot 13720, Pekan Kayu Ara)
100%	**Glomac Enterprise Sdn Bhd** Sungai Buloh Country Resort, Sg. Buloh	100%	**Glomac Segar Sdn Bhd** (Proposed Mix Development – Plaza@ Kelana Jaya	100%	**Precious Quest Sdn Bhd** Saujana Jaya, Kulai, Johor
100%	**Glomac Alliance Sdn Bhd** Lakeside Residences, Puchong	100%	**Dunia Heights Sdn Bhd** (Proposed Residential Development in Sg. Buloh)	70%	**FDA Sdn Bhd** Sri Bangi, Section 8, Bandar Baru Bangi
100%	**Glomac Consolidated Sdn Bhd** Bukit Saujana, Sg. Buloh	100%	**Glomac Kristal Sdn Bhd** Glomac Centro, Petaling Jaya	51%	**Glomac Al Batha Sdn Bhd** Glomac Tower (now known as Menara Prestige), Kuala Lumpur
100%	**Glomac Damansara Sdn Bhd** Glomac Damansara, Kuala Lumpur	100%	**FDM Development Sdn Bhd** Centro V, Petaling Jaya	51%	**Glomac Al Batha Mutiara Sdn Bhd** Reflection Residences, Mutiara Damansara
100%	**Glomac Jaya Sdn Bhd** Glomac Cyberjaya, Cyberjaya	100%	**Berapit Properties Sdn Bhd** Glomac Cyberjaya 2, Cyberjaya	30%	**PPC Glomac Sdn Bhd** Bandar Sri Permaisuri, Cheras
100%	**Glomac Maju Sdn Bhd** Suria Residen, Cheras	100%	**Kelana Kualiti Sdn Bhd** Saujana Perdana		

Property Investment & Management

100%	**Kelana Centre Point Sdn Bhd** Kompleks Kelana Centre Point, Kelana Jaya
100%	**Bangi Integrated Corporation Sdn Bhd** Plaza Kelana Jaya, Phase II, Kelana Jaya
100%	**Glomac Nusantara Sdn Bhd** Dataran Glomac, Kelana Jaya
100%	**Glomac Regal Sdn Bhd** Suria Stonor, Kuala Lumpur
100%	**Berapit Pertiwi Sdn Bhd** Suria Stonor, Kuala Lumpur
100%	**Glomac City Sdn Bhd** Plaza Glomac, Kelana Jaya
100%	**Glo Damansara Sdn Bhd** Glo Damansara Mall @ Glomac Damansara, Kuala Lumpur
45.5%	**VIP Glomac Pty Ltd**

Other Activities

100%	**Project Management** **Glomac Group Management Services Sdn Bhd**
100%	**Property Management** **Glomac Property Services Sdn Bhd**
100%	**Kelana Property Services Sdn Bhd**
100%	**Investment Holding** **Glomac Australia Pty Ltd**
100%	**Glomac Restaurants Sdn Bhd**
100%	**Glomac Realty Sdn Bhd**
85.7%	**Glomac Power Sdn Bhd**
60%	**Glomac Utama Sdn Bhd** Worldwide Business Park
30%	**Irama Teguh Sdn Bhd**
60%	**Car Park Operations/ Management** **Prominent Excel Sdn Bhd**
51%	**Construction** **Glomac Bina Sdn Bhd**

Dormant Companies

100%	**Glomac Leisure Sdn Bhd**
100%	**Kelana Seafood Centre Sdn Bhd**
100%	**Prisma Legacy Sdn Bhd**
100%	**Glomac Real Estate Sdn Bhd**
100%	**OUG Square Sdn Bhd**
100%	**Glomac Thailand Sdn Bhd**
100%	**Glomac Cekap Sdn Bhd**
100%	**Magnitud Teknologi Sdn Bhd**
100%	**BH Interiors Sdn Bhd**
100%	**Berapit Development Sdn Bhd**
100%	**Prima Sixteen Sdn Bhd**
100%	**Sungai Buloh Country Resort Sdn Bhd**
100%	**Magic Season Sdn Bhd**
60%	**Glomac Excel Sdn Bhd**

TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN

Group Executive Chairman
77, Male, Malaysian

Tan Sri Dato' Mohamed Mansor bin Fateh Din or better known as "Tan Sri Dato' FD Mansor" was appointed to the Board on 1 April 1986. Before he founded the Glomac Group, he was employed with Utusan Malaysia Berhad as the Group Personnel Director.

Tan Sri Dato' FD Mansor has extensive experience in the property development business through his involvement in the industry for the past 30 over years. He was the Honorary Secretary of the Malay Chamber of Commerce and Industry, Selangor from 1987 to 1995 and was awarded the Selangor Entrepreneur of the Year 1995 by the Dewan Perniagaan Melayu Malaysia Negeri Selangor in recognition of his contributions to the state. In September 2005, he was awarded the prestigious "Property Man of the Year" by FIABCI Malaysia. Being a genuine Malay businessman and entrepreneur, he was presented the award of "Anugerah Usahasama Tulen" by the Malay Chamber of Commerce, Malaysia in June 2008.

In June 2011, Tan Sri Dato' FD Mansor was recognized and awarded as a recipient of "Jewels of Muslim World 2011" as the recognition of achievements and contributions made by high profile business leaders in the Muslim World. He also sits as the Advisory Council in Iqra Foundation.

In October 2013, Tan Sri Dato' FD Mansor was conferred the prestigious Brand Laureate - Premier Brand Icon Leadership 2013 in the Brand Laureate Icon Award 2013 for his illustrious career as one of Malaysia's top business entrepreneurs and corporate leaders. The annual Brand Laureate Award provides recognition to inspirational leaders who dedicate their lives and profession to the country.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to the founders of Glomac Berhad, Tan Sri Dato' FD Mansor and Datuk Richard, to honour industry captains who have made significant and outstanding contributions.

DATUK RICHARD FONG LOONG TUCK

Group Executive Vice Chairman
66, Male, Malaysian

Datuk Richard Fong Loong Tuck was appointed to the Board on 4 April 1988. He graduated with a Bachelor of Science (Hons) in Civil Engineering from University of London, UK. Datuk Richard began his career in Mudajaya Construction Sdn Bhd and IJM Corporation Berhad before founding Glomac Group in 1988.

He has more than 30 years of experience in the field of property development, building construction and engineering. He served as the Secretary General of FIABCI (International Real Estate Federation) Malaysian Chapter for the term 1998-2000 and was appointed President of FIABCI Malaysia from August 2006 to 2010.

As the former President of FIABCI, he was instrumental in the formation of Malaysia Property Incorporated ("MPI"), a body set-up by the Economic Planning Unit of the Prime Minister's Department, to promote property investments among foreigners in Malaysia. Datuk Richard also served as the Chairman of the Board of Directors of MPI from February 2008 to June 2010.

In 2016, The Edge Malaysia Outstanding Property Entrepreneur Award was presented to the founders of Glomac Berhad, Tan Sri Dato' FD Mansor and Datuk Richard, to honour industry captains who have made significant and outstanding contributions.

Datuk Richard is frequently invited as guest speakers at forum and seminars on property market in Malaysia both locally and internationally.

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

Group Managing Director/ Chief Executive Officer Member of Remuneration and ESS Committees

49, Male, Malaysian

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor better known as "Datuk Seri FD Iskandar", is one of Malaysia's influential and well respected figures. An exemplary leader, he has carved out a place as a nation-builder for vast swathes of Malaysia's modern development. Now, as Group Managing Director and Chief Executive Officer at Glomac Berhad, he continues to lead the way for the company to become one of Malaysia's pioneering property developers. He was appointed as a board member of Glomac since 5 February 1997.

Datuk Seri FD Iskandar attended the Malay College Kuala Kangsar (MCKK). He pursued his studies and graduated with a degree in Law from the University of Queensland, Australia and later obtained his Masters in Business Administration (MBA). He became a legal practitioner for a couple of years in Australia before returning back to Malaysia.

Thereafter, Datuk Seri FD Iskandar began his heady rise up the corporate ladder, starting out as a Corporate Manager for Kumpulan Perangsang Selangor Berhad (KPS) before leaving KPS in 1992 to join Glomac Berhad as General Manager for Business Development. In 1997, Datuk Seri FD Iskandar was appointed to the board as Glomac's Executive Director, a position he held for seven years before assuming his current role of Group Managing Director/Chief Executive Officer.

Today, Datuk Seri FD Iskandar runs multiple public and private listed companies across several major industries. In addition to his active role at Glomac, he is the Chairman of VADS Berhad from 1st May 2017, a wholly owned subsidiary of Telekom Malaysia Berhad which services the IT and telecommunications industries. He is also the Director of Telekom Malaysia Berhad, Malaysia's broadband champion and leading integrated information and communications. In addition to that he also sits on the Board Member of Axis-Reits Managers Berhad, the first REITs company listed on Bursa Malaysia.

Perennially active and engaged, Datuk Seri FD Iskandar is the President of the Real Estate & Housing Developers' Association Malaysia (REHDA), having recently been Chairman of its Selangor Branch. He currently also chairs the Building Industry Presidents' Council (BIPC) comprising of the 7 permanent member organizations namely REHDA Malaysia, Pertubuhan Arkitek Malaysia (PAM), Masters Builders Association Malaysia (MBAM), The Institution of Engineer, Malaysia (IEM), Association of Consulting Engineers Malaysia (ACEM), Royal Institution of Surveyors Malaysia (RISM) and Malaysia Institute of Planners (MIP). In addition, he also chairs the Malaysian Developers' Council (MDC), which comprises REHDA Malaysia, the Sabah Housing and Real Estate Developers' Association (SHAREDA) and the Sarawak Housing and Real Estate Developers' Association (SHEDA).

Additionally, Datuk Seri FD Iskandar's advice is sought from far and wide in the business community, a fact demonstrated by his roles in a staggering range of taskforces, councils and business groups. He currently serves as the Chairman of the Special Task Force to Facilitate Business (PEMUDAH), specialising in legal matters and also appointed as a Member of the City Advisory Board for Dewan Bandaraya Kuala Lumpur (DBKL) effective November 2014 by His Majesty the King.

Truly tireless in his endeavours, Datuk Seri FD Iskandar has served as the Group Chairman of the Media Prima Group, one of the leading incorporated media company in South East Asia, for 8 years in various capacities until 31 July 2017. He was appointed to the Board in 2009, and was also the Chairman of the Nomination & Remuneration Committee and Risk Management Committee of Media Prima. His presence also extends to being a Director of New Straits Times Press (Malaysia) Berhad from 2009 until 2015, one of the most established publisher in Asia with three main newspapers and a string of established magazines.

He was formerly a Director of Kumpulan Hartanah Selangor Berhad from 2004 until 2008. He was also the Deputy Chairman of the Malaysian Australian Business Council (MABC), Chairman of Gagasan Badan Ekonomi Melayu, Selangor Branch (GABEM) a body that promotes entrepreneurialship amongst Malays in the country. He was one of the Founding Directors of Malaysia Property Incorporated (MPI), a partnership between Government and the private sector that was established to promote property investments and ownership to foreigners all around the world.

With more than 25 years' experience and involvement in the property development industry, his vast experience and expertise has made him a very well-known and respected figure among his peers locally as well as internationally. He frequently shares his insights and views as a guest speaker in forums, seminars and conventions, and has given talks on the Malaysian property market both locally and abroad.

His esteemed position is reflected through the wide variety of accolades that he has accumulated. Amongst these awards that Datuk Seri FD Iskandar was awarded were the 2012 Malaysian Business Award in Property by the Malay Chamber of Commerce, the Outstanding Entrepreneurship Award at the 2013 Asia Pacific Entrepreneurship Awards, the MBA Industry Excellence Award (Property Sector) by the Malaysia Business Awards in 2013 and the Brand Laureate Corporate Leader Brand Icon Award by the Asia Pacific Brands Foundation in 2014.

Datuk Seri FD Iskandar was also the recipient of the Global Leadership Award for Commercial Property Development by The Leaders International in 2014 and 2015. In 2016, the World Leader Business Person and World Business Leader award by The Bizz 2016 was awarded to Datuk Seri FD Iskandar.

DATO' IKHWAN SALIM BIN DATO' HJ SUJAK

Senior Independent Non-Executive Director
Chairman of Nomination, Remuneration and ESS Committees
Member of Audit Committee
60, Male, Malaysian

Dato' Ikhwan Salim bin Dato' Hj Sujak was appointed to the Board on 9 February 2000. Dato' Ikhwan Salim holds a Bachelor of Science degree in Economics/Accounting from Queen's University, Belfast, Ireland, UK. He began his career as an Auditor with Coopers & Lybrand, UK and joined Nestle (M) Sdn Bhd in 1979. In 1980, he moved on to be the Group Financial Planning Manager of Kumpulan Low Keng Huat Sdn Bhd. In 1982 he restured into business as Managing Director of Jaya Holdings Sdn Bhd.

In 1999, Dato' Ikhwan Salim become Executive Chairman of Konsortium Jaringan Selangor Sdn Bhd and in 2003 he was also appointed as Non-Executive Chairman of Malaysia Steel Works (KL) Berhad and appointed as a Director in Land and General Berhad in 2007. On 1 June 2014, he was appointed as a Director of A2A Capital Services Berhad, he was also a committee member of Automobile Association of Malaysia (AAM) and British Graduates Association of Malaysia (BGAM). He is currently the Division Head of Petaling Jaya Utara Division of United Malay National Organisation (UMNO). Dato' Ikhwan Salim also sits on the Board of several private companies in Malaysia.

DATUK ALI BIN TAN SRI ABDUL KADIR

Independent Non-Executive Director
Chairman of Audit Committee
Member of Nomination, Remuneration and ESS Committees
68, Male, Malaysian

Datuk Ali bin Tan Sri Abdul Kadir was appointed to the Board on 20 February 2009. He is a Fellow of the Institute of Chartered Accountants in England and Wales ("ICAEW"), member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants. He is also currently the Honorary Advisor to ICAEW Malaysia, Honorary Fellow of the Institute of Chartered Secretaries & Administrators (UK) and the Malaysian Institute of Directors.

Datuk Ali is currently the Chairman of Jobstreet Corporation Berhad, Enra Group Berhad and Privasia Technology Berhad. He is a Board Member of Citibank Berhad, Labuan Financial Services Authority, Labuan IBFC and Ekuiti Nasional Berhad (Ekuinas). He also sits on the Board of Landskap Malaysia, Tropical Rainforest Conservation & Research Centre Berhad.

Datuk Ali was appointed as the Chairman of the Securities Commission of Malaysia on 1 March 1999 till 29 February 2004. During his tenure, he launched the Capital Market Masterplan and chaired the Capital Market Advisory Council. He was a member of a number of national committees including the Foreign Investment Committee, Oversight Committee of Danaharta and Finance Committee on Corporate Governance.

On the international front, he was a member of the Exco of IOSCO, Chairman of it's Asia-Pacific Regional Committee and the Islamic Capital Market Working Group. He was advisor to the Sri Lanka Securities & Exchange Commission.

In his earlier career, he was the Executive Chairman and Partner of Ernst & Young and its related firms. He was a Past President of the MICPA, chairing its Executive Committee and Insolvency Practices Committee, and co-chairing the Company Law Forum. He was appointed an Adjunct Professor in the Accounting and Business Faculty, University of Malaya in 2008 and retired in August 2011. He was then appointed to the Advisory Board of the same Faculty.

Datuk Ali was bestowed the “Lifetime Achievement Award” by MICPA and the "President’s Award" by ICAEW KL City Chapter.

YB DATUK SERI PANGLIMA HJ ABDUL AZEEZ BIN HJ ABDUL RAHIM

Non Independent Non-Executive Director
51, Male, Malaysian

YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim was appointed to the Board on 1 July 2015.

He is a Member of Parliament for Baling and also a Member of UMNO Supreme Council since 2008, as well as the Chairman of Yayasan Pembangunan Rakyat Baling, Kedah.

He has vast experience in both business and corporate sectors, and serves as an Executive Chairman in several organisations. Besides that, he is also an adviser to several public listed companies.

Since 2012, he holds important posts in Lembaga Tabung Haji subsidiaries, namely TH Real Estate LLC and Theta Edge Berhad as Chairman and Board Member respectively. He was later appointed as the Chairman of Lembaga Tabung Haji on 1 July 2013.

He is actively involved in various charitable and community activities. In 2010, he formed Kelab Putera 1 Malaysia after the idea was accepted by YAB Prime Minister, Dato' Sri Mohammad Najib bin Tun Hj Abdul Razak. He has been directly involved in a series of humanitarian aid to countries that have experienced natural disasters.

MS SHAN CHOO

Independent Non-Executive Director
Member of Audit and Nomination Committees
57, Female, Malaysian

Ms Shan Choo was appointed to the Board on 3 July 2017. She holds a Bachelor of Economics from Monash University Australia and is a member of CPA Australia.

She started her career in stockbroking with Seagroatt and Campbell in collaboration with WI Carr Kuala Lumpur and then in a commercial bank MUI Banking group. She subsequently moved back to Melbourne in 1986 and worked with ANZ Banking group in the headquarters in Melbourne as Group Credit Analyst.

In 1990, she resumed her stockbroking career in Malaysia with RHB Research Institute. She started as a banking analyst and subsequently headed a team covering various sectors on companies listed on Bursa Malaysia.

She joined CLSA Malaysia in 1999, first as an analyst covering banks and conglomerates. She subsequently led an award winning research team for six years as Head of Research before moving on to a Head of Sales Role in 2006 when CLSA Malaysia was awarded a full broking licence. She was appointed Country Head and was the principal officer for CLSA Group's operations in Malaysia in 2007. In August 2015, she was appointed as Chairman and upon full retirement from CLSA in December 2016, was retained by the CLSA group as an advisor to tap on her knowledge of the capital markets and insights into corporate Malaysia.

She is also an Independent Director of RHB Asset Management Sdn Bhd and RHB Islamic International Asset Management Bhd.

DATUK SERI JOHAN BIN ABDULLAH

Non Independent Non-Executive Director
60, Male, Malaysian

Datuk Seri Johan bin Abdullah was appointed to the Board on 1 June 2017 as an alternate Director to YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim.

He obtained a Diploma in Banking from Universiti Teknologi MARA, Shah Alam, a Bachelor in Business Administration (Finance) from Eastern Michigan University, USA and a Master in Business Administration (Finance) from Morehead State University, USA.

In his past experience, he served in various companies including Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad), Bumiputra Merchant Bankers Berhad and Damansara Realty Berhad. He then rejoined Bursa Malaysia Securities Berhad in 1999 and took up various senior positions including that of Deputy Chief Regulatory Officer, Group Regulation. He later joined BIMB Holdings Bhd as the Group Managing Director/Chief Executive Officer in May 2008 and served the group for more than six (6) years.

He was appointed as Deputy Group Managing Director and Chief Executive Officer of Lembaga Tabung Haji in January 2015 and subsequently being appointed as Group Managing Director and Chief Executive Officer of Lembaga Tabung Haji in July 2016.

He is currently the Chairman of Deru Semangat Sdn Bhd, TH Heavy Engineering Bhd and sits on the Board of TH Plantations Berhad, TH Properties Sdn Bhd, TH Hotel & Residence Sdn Bhd, Yayasan Tabung Haji and Malakoff Corporation Berhad.

Additional Information of the Directors:

1. *Tan Sri Dato' Mohamed Mansor bin Fateh Din and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor has a family relationship.*

2. *Save as disclosed in this Annual Report, none of the Directors has:*

   i. *Any family relationship with any directors/major shareholders of the Company;*
   ii. *Any conflict of interest with the Company;*
   iii. *Any conviction for offences within the past five years other than traffic offences; and*
   iv. *Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2017.*

ONG SHAW CHING

Aged 52, Male, Malaysian
Chief Operating Officer

Mr. Ong Shaw Ching joined Glomac in 1996 and was appointed as Chief Operating Officer of Glomac on 1 January 2014. He is also the joint Secretary of the Company since 1 December 2009.

He is a Fellow of the Association of Chartered Certified Accountants (UK) and a Member of the Malaysian Institute of Accountants.

He began his professional career in 1988 and spent six years in two international accounting firms where he was involved in the audit of several public listed companies and handled a wide range of corporate rescue exercises.

In 1994, he moved on to be the Financial Controller of a Hong Kong based group of companies involved in manufacturing and trading before joining Glomac in 1996.

NGIAN SIEW SIONG

Aged 65, Male, Malaysian
Chief Operating Officer – Operations

Mr. Ngian Siew Siong has joined Glomac Berhad in January 2016 as a Chief Operating Officer – Operations. He holds a BSC in Civil Engineering from the University of Leeds, UK.

He started his career with the Civil Service of the Malaysia Government in 1976. In 1979 he moved to the private sector in the Property Development industry by joining the MBF property Group.

In 1985, he joined the Sunway Group to set up the property development division. Under his leadership, the property development division known as Sunway City Berhad became a Leading & Award Winning Property Developer in Malaysia. He retired in 2012 as its Managing Director.

He was the past Chairman of Real Estate & Housing Developer Association, Selangor and currently a Council Member of Real Estate & Housing Developer Association Malaysia and was a Board member of LPHS (Lembaga Perumahan & Hartanah Selangor).

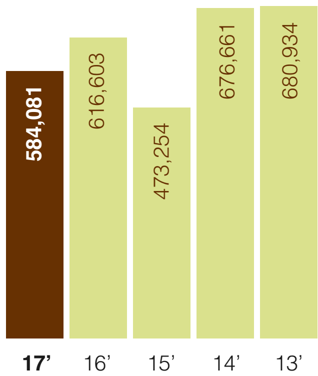
He is currently an Independent and Non-Executive Director IFCA MSC Berhad and Nam Long Investment Corporation, a Vietnamese property development company listed in the Hanoi Stock Exchange.

Save as disclosed, none of the Key Senior Management has:-

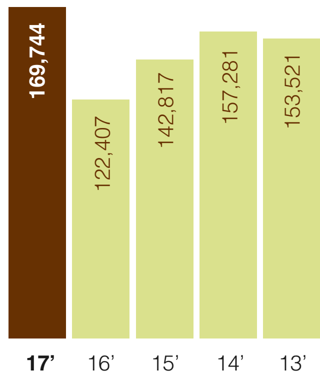
1. *Any family relationship with any directors and/or major shareholders of the Company;*
2. *Any conflict of interest with the Company;*
3. *Any conviction for offences within the past 5 years other than traffic offences; and*
4. *Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 April 2017.*

5-YEAR
FINANCIAL HIGHLIGHTS

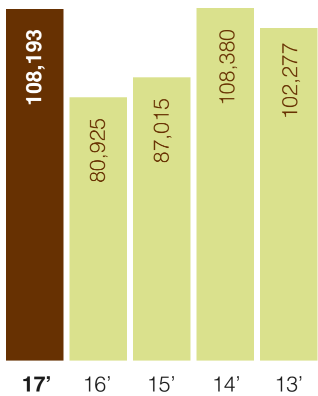
Revenue
(RM'000)



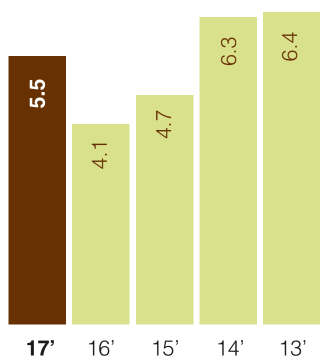
Profit Before Tax
(RM'000)



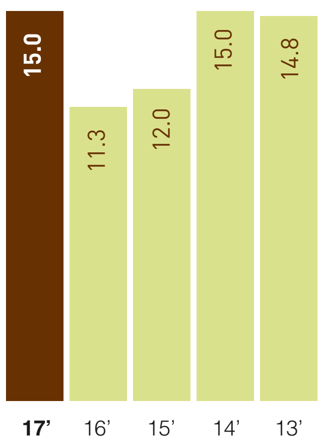
Profit Attributable to Owners of the Company
(RM'000)



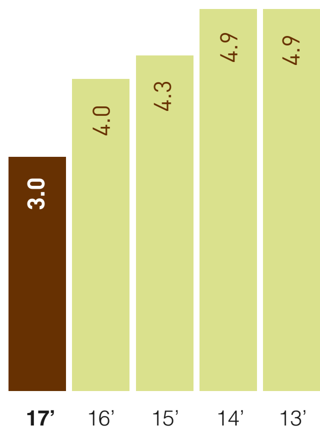
Return on Total Assets
(%)



Basic Earnings Per Share
(sen)



Net Dividend Per Share
(sen)*



	2017 RM'000	2016 RM'000	2015 RM'000	2014 RM'000	2013 RM'000
Revenue	**584,081**	616,603	473,254	676,661	680,934
Profit Before Tax and Exceptional Item	**169,744**	122,407	142,817	157,281	153,521
Profit Before Tax	**169,744**	122,407	142,817	157,281	153,521
Income Tax Expense	**(60,535)**	(36,747)	(47,266)	(44,393)	(45,264)
Profit for the year	**109,209**	85,660	95,551	112,888	108,257
Profit Attributable to Owners of the Company	**108,193**	80,925	87,015	108,380	102,277
Non-controlling Interest	**1,016**	4,735	8,536	4,508	5,980
	109,209	85,660	95,551	112,888	108,257
Assets and Equity					
Total Assets Employed	**1,965,828**	1,981,330	1,870,328	1,711,865	1,596,154
Paid-up Share Capital	**363,911**	363,911	363,911	363,911	363,911
Equity Attributable to Owners of the Company	**1,077,463**	991,938	938,945	887,116	793,710
Return on Shareholders' Funds Attributable To Owners of the Company	**10.0%**	8.2%	9.3%	12.2%	12.9%
Return On Total Assets	**5.5%**	4.1%	4.7%	6.3%	6.4%
Share Information					
Basic Earnings Per Share (Sen)	**15.0**	11.3	12.0	15.0	14.8
Net Assets Per Share (RM)	**1.49**	1.38	1.31	1.22	1.12
Net Dividend Per Share (Sen)*	**3.0**	4.0	4.3	4.9	4.9

Notes:

* The information is based on dividend declared for respective financial year.

CORPORATE SOCIAL
RESPONSIBILITY

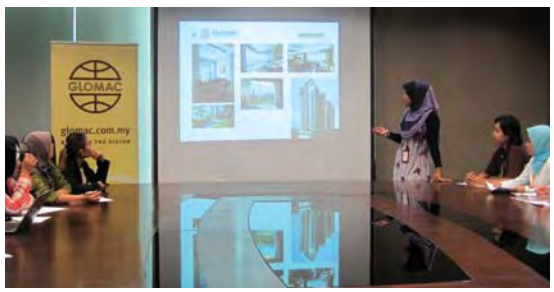
As a responsible corporate citizen, we are mindful of the need to balance our economic aspirations with equally important community and environmental considerations to ensure a sustainable future for the Group. Our efforts continue to focus on corporate responsibility initiatives that effectively address the needs of stakeholders in the areas of the Community, Marketplace, Workplace and Environment. The Group is committed and continues to engage with a broad spectrum of stakeholder groups at different levels as to how balanced growth is being delivered in a responsible and sustainable manner. These groups include shareholders, customers, employees, the Government, regulatory authorities, vendors, members of the media and the communities we operate in.

Engaging Stakeholders

We continue to build on and strengthen our relationships with a diverse range of stakeholder groups in providing information on the group's financial standing and direction through various channels like the website while at the same time proactively engaging with them to better understand their concerns, expectations and address their evolving needs.

Sustainability Governance

It is our firm belief that we observe best practices in all our dealings with our customers, vendors and other stakeholders to ensure long term sustainability for the business. We are committed to effectively manage and conduct our business in a responsible and transparent manner within a framework of relevant business policies and procedures.



Material sustainability issues

It is essential that we understand the importance and implications of operational, financial and reputational issues that have a bearing on our daily business. We constantly need to engage with our customers and the community to better understand their concerns and expectations so as achieve a balanced solution that is mutually beneficial to all parties.

COMMUNITY

Our ongoing community outreach initiatives continue to touch the lives of and help communities enhance their quality of life through various initiatives amidst inculcating a caring culture among our staff.

In conjunction with the Chinese New Year celebration, Glomac Berhad organised a lion dance performance to welcome in the new year at Glomac Berhad's first mall, Glo Damansara. Directors, staff and public were entertained to a spectacular display of acrobatic feats by the dance group.

Encouraging healthy lifestyles within the Group saw us participate in the ‘The Edge Kuala Lumpur Rat Race 2016’ for the fourth consecutive year with the Group’s management and staff taking part as a team for a good cause. Funds raised from the annual charity event are distributed via The Edge’s foundation arm, the Edge Education Foundation to discerning recipients.

As part of enhancing its media relations towards building stronger communities, Glomac showed its support and appreciation to the national media and journalists community by contributing to the ‘Malam Wartawan Malaysia 2016’.Organised by the Malaysian Press Institute, this prestigious event was graced by the Honourable Dato' Sri Mohammad Najib bin Tun Hj Abdul Razak, Prime Minister of Malaysia.

The group also contributed to Maybank Heart, Malaysia’s first bank-enabled peer-to-peer fundraising crowd-funding platform enabling NGOs to increase their reach and disseminate messages to a wider audience. The contribution was channelled to needy children at PERTIWI.

SK Saujana Utama, located in Saujana Utama, a Glomac township, received a RM5000 donation for their 13^{th} Annual Sports Day event as part of the Group’s community outreach activities.

MARKETPLACE

Investors and shareholders are provided with regular updates on the Group's performances and financial via reports and reviews through various channels of communication like the web portal while senior management periodically engage in dialogues at small group meetings, roadshows and investor seminars.

As a reputable developer, we are constantly mindful of delivering quality homes to our valued customers. In keeping to this, our homes are built in accordance with CIBD's C157 Quality Assessment System for Building Construction Work (QLASSIC) which emphasises quality workmanship and high industry standards. Careful thought and planning are also put into our development projects to create an eco-friendly environment that promotes healthy living for residents with green landscaped spaces and environment friendly features amongst others. We actively promoted our range of development products at road shows and also at property exhibitions like MAPEX Selangor and NSTP My Home as part of initiatives in the marketplace.

As the market evolves, we constantly strive to develop innovative products that appeal to a broad spectrum of home buyers that not only deliver quality homes but offer a truly memorable customer experience as well.

Careful thought and planning are also put into our development projects to create an eco-friendly environment that promotes healthy living for residents with green landscaped spaces and environment friendly features amongst others.

WORKPLACE

Our people are at the centre of what we do and we are committed towards enriching the work experience and creating a conducive environment for personal development and career advancement.

The Group's focus on a people-centric organisation meant placing a strong emphasis on the development and wellbeing of its employees. Staff development continues to be an important area with various initiatives and activities being undertaken to enhance the knowledge, capabilities and competence of our employees across all levels in the organization. We also continue to focus on talent management, acquisition and succession planning to ensure a sustainable talent pipeline across all job levels for the long term growth and development of the Group.

As a caring employer, we are constantly mindful of the wellbeing of our employees who are accorded such benefits like medical insurance coverage for hospitalisation and surgery, group term life and personal accident among others. Among the activities organised for staff were a talk on oral and dental health care as well as the annual blood test. The Group also recognises and rewards employees for their contributions as part of its motivational efforts to attain greater levels of excellence in the course of performing their daily tasks. This includes offering eligible employees and directors the Employees' Share Option Scheme, ("ESOS") and Restricted Share Grant, ("RSG").

Ensuring a safe work environment in the office or at the site is of paramount importance and this is communicated to employees through safety awareness campaigns and regular updates on the latest developments and regulations in the areas of occupational health and safety.

The Group strongly believes in inculcating an optimal balance of good work ethics, culture and a healthy lifestyle through various sporting activities like badminton and bowling while corporate events and activities are organised regularly at its Glomac Damansara headquarters as part of efforts to foster greater interaction and integration amongst staff in building a strong and united workforce.



ENVIRONMENT

We are committed to play a part in conserving the fragile balance of the environment in which we live, generate greater environmental awareness and improve sustainability. The Group has diligently and continues to uphold good environmental practices in line with the government's call to practice sustainable development for a more 'green society' for future generations.

In keeping to these guidelines, our buildings are designed to allow maximum natural lighting and ventilation, installed with the Building Automation System to schedule, control and monitor chiller and air handling units (Air-Conditioning and Mechanical Ventilation), lighting systems as well as optimizing chiller operation to reduce power consumption. Green building materials feature prominently with environment friendly features like multi-split VRV air conditioning systems with non-chemical water treatment system, combined Low Emissivity Glass for reduced UV and infrared light and greater internal climate control. In addition we also ensure utilising a minimum 20% of materials with recycled content such as cement, tile, glass and aluminium to reduce waste and optimise resources.

The integration of green spaces and landscaping are part and parcel of our developments incorporating a host of eco-friendly measures and features such as the Monier rain water harvesting system which recycles rainwater for gardening, sewerage and public utilities while efforts to reduce water and energy consumption by up to 80% include LED lighting and water efficient features.

The Group's newest mall, Glo Damansara for example is fitted with LED lighting in most common areas while the latest lifts and escalators incorporate energy efficient features like operating sensors and high efficiency motors. These lifts and escalators are turned off at closed off or unoccupied areas. In addition, Recycle Bins have been placed throughout the mall in accordance with the Solid Waste and Public Cleansing Management Act (Act 672) for "Separation at Source" of recyclable waste.

As we move forward, we will continue to pursue and adopt new 'green' initiatives and technology as well as promote community environmental preservation activities across our developments for the betterment of generations to come.

We are committed to play a part in conserving the fragile balance of the environment in which we live, generate greater environmental awareness and improve sustainability.

GROUP EXECUTIVE CHAIRMAN'S STATEMENT

PENYATA PENGERUSI EKSEKUTIF KUMPULAN

2016 was indeed a truly challenging year that impacted the global economic landscape in more than one way. We witnessed major political developments amidst low commodity prices and a downturn in the oil and gas industry. The Malaysian economy itself was not spared from these uncertainties either weakened domestic demand and consumer spending led to the nation experiencing GDP growth at a much slower pace of 4.2%.*

On the domestic residential property front, the Property Market Report 2016 highlighted a drop in the number and value of residential property transactions and a rise in the residential overhang number while the mainly urban markets of Selangor, Penang, KL and Johor which account for two thirds of the total value of residential property transactions are experienced decreases.

As challenging a period as the year was, Glomac Berhad managed to deliver a sound financial performance drawing on its strengths, industry experience, commitment and dedication to end the year on a positive note.

On behalf of the Board of Directors, I am pleased to present you Glomac Berhad's ("Glomac" or "The Group") Annual Report for the financial year ended 30 April 2017 ("FY2017").

* *Source-Deputy Finance Minister 1 at the launch of the Property Market Report 2016 on 18/4/2017/NAPIC website*

Tahun 2016 ternyata merupakan satu tempoh yang amat mencabar apabila landskap ekonomi dunia menerima pelbagai kesan. Kami menyaksikan berlakunya perubahan yang besar dalam perkembangan politik di tengah-tengah harga komoditi yang rendah dan aliran menurun industri minyak dan gas. Ekonomi Malaysia juga tidak terkecuali daripada mengalami keadaan yang tidak menentu ini apabila permintaan domestik dan perbelanjaan pengguna yang lemah menyebabkan negara mengalami pertumbuhan KDNK lebih rendah sebanyak 4.2%.

Bagi industri hartanah kediaman tempatan, Laporan Pasaran Hartanah 2016 memperlihatkan bahawa hartanah kediaman telah mengalami kejatuhan dari segi bilangan dan nilai transaksi serta meningkatnya bilangan rumah kediaman yang tidak terjual manakala pasaran di kawasan bandar terutamanya di Selangor, Pulau Pinang, Kuala Lumpur dan Johor yang mewakili dua pertiga daripada jumlah nilai hartanah kediaman, turut mengalami penurunan.

Biarpun berdepan dengan tempoh yang sukar ini, Glomac Berhad berjaya mencatat prestasi kewangan yang baik bersandarkan kekukuhannya, pengalaman dalam industri, komitmen dan dedikasi tinggi untuk mengakhiri tahun kewangan ini dengan catatan yang positif.

Bagi pihak Lembaga Pengarah, saya dengan sukacitanya membentangkan laporan Tahunan Glomac Berhad ("Glomac" atau "Kumpulan") bagi tahun kewangan berakhir pada 30 April 2017 ("TK2017").

* *Source-Deputy Finance Minister 1 at the launch of the Property Market Report 2016 on 18/4/2017/NAPIC website*

Tan Sri Dato' FD Mansor
Group Executive Chairman
Pengerusi Eksekutif Kumpulan

Financial Performance

We ended the year reporting a total revenue of RM584.1 million with profit before tax rising to RM169.7 million compared to RM122.4 million in FY2016.This represented an increase of 39% which also saw net profit attributable to owners of the Company for the year increase by 34% to RM108.2 million. The strong response to our landed residential developments, especially in the affordable township projects of Saujana KLIA and Saujana Perdana, completion of the Cheras development land sale for RM145.6 million in the first quarter of FY2017 and the full completion of earlier projects, Glomac Centro and Reflection Residences were all key contributors to the year's total revenue.

The Group managed to secure a total of RM420 million in new sales through a combination of select strategies and a cautious approach in its sales and marketing activities. Building on the success of Glomac's Bandar Saujana Utama township, the maiden launches at Saujana Perdana achieved 94% sales while the launches at Lakeside Residences, Glomac's RM3 billion Puchong flagship development integrated residential project on 200 acres of leasehold land achieved 95% sales for cumulated launches of landed residential units. It is also heartening to note that the earnings visibility for the next few quarters remain relatively healthy with unbilled sales of RM556 million anchored by four key ongoing projects namely Lakeside Residences, Saujana KLIA, Bandar Saujana Utama and Sri Saujana, Johor.

Dividend

The Group holds firm to its belief in creating value for its shareholders and rewarding them with a consistent and steady income stream. Having experienced a healthy trend over recent years, I am once again pleased to announce that the Board has for the financial year ended 30 April 2017 recommended a final cash dividend of 1.5 sen per ordinary share, subject to shareholders' approval in the upcoming Annual General Meeting. This, combined with the interim single-tier dividend of 1.5 sen per share paid on 15 May 2017 translates to a dividend yield of 4.3 % per annum based on a total single-tier dividend of 3.0 sen per share and Glomac's share price of RM0.705 as of 30 April 2017.

We will continue to accord our shareholders with both tangible and intangible returns as shown by the strong profitability and strengthened balance sheet for FY2017 as we progress along our growth trajectory without compromise on our inherent value, hence ensuring healthy returns for our shareholders.

Pencapaian Kewangan

Kami menutup tirai tahun kewangan ini dengan mencatat pendapatan berjumlah RM584.1 juta manakala keuntungan sebelum cukainya meningkat kepada RM169.7 juta berbanding RM122.4 juta pada TK2016. Jumlah pendapatan itu mewakili kenaikan sebanyak 39% yang juga menyaksikan keuntungan bersihnya bertambah sebanyak 34% kepada RM108.2 juta. Sambutan yang menggalakkan terhadap hartanah kediaman yang kami bangunkan terutamanya projek perbandaran mampu milik iaitu Saujana KLIA dan Saujana Perdana, muktamadnya penjualan tanah pembangunan di Cheras dengan harga RM145.6 juta pada suku pertama TK2017 dan penyiapan sepenuhnya projek-projek terdahulu melibatkan Glomac Centro dan Reflection Residences, telah menjadi penyumbang utama kepada jumlah pendapatan yang diraih dalam tahun kewangan ini.

Kumpulan telah berjaya memperoleh jualan baharu berjumlah RM420 juta melalui gabungan strategi terpilih dan pendekatan yang berhati-hati dalam aktiviti jualan serta pemasarannya. Bersandarkan kepada kejayaan dalam projek perbandaran Bandar Saujana Utama Glomac, pelancaran sulung Saujana Perdana telah mencatat jumlah jualan sebanyak 94% manakala pelancaran untuk Lakeside Residences iaitu sebuah pembangunan kediaman hartanah bersepadu Glomac yang utama di Puchong bernilai RM3 bilion melibatkan kawasan seluas 200 ekar tanah pajakan telah meraih jualan berjumlah 95%bagi pelancaran hartanah rumah kediaman secara terkumpul. Apa yang turut membanggakan, jangkaan pendapatan bagi beberapa suku tahun akan datang kekal menggalakkan dengan jualan belum dibilkan berjumlah sebanyak RM556 juta melibatkan empat buah projek utama iaitu Lakeside Residences, Saujana KLIA, Bandar Saujana Utama dan Sri Saujana, Johor.

Dividen

Kumpulan berpegang teguh dengan kepercayaannya terhadap keperluan mewujudkan nilai kepada para pemegang saham melalui penawaran aliran pendapatan yang konsisten dan baik. Selepas menikmati trend pembayaran dividen yang menggalakkan sejak tahun-tahun sebelumnya, saya sekali lagi dengan sukacitanya mengumumkan bagi tahun kewangan berakhir pada 30 April 2017, Lembaga Pengarah telah mencadangkan pembayaran dividen tunai akhir sebanyak 1.5 sen sesaham, tertakluk kepada kelulusan para pemegang saham dalam Mesyuarat Agung Tahunan yang akan datang. Secara keseluruhannya, dengan mengambil kira dividen interim peringkat satu sebanyak 1.5 sen sesaham yang dibayar pada 15 Mei 2017, ia mewakili hasil dividen sebanyak 4.3% setahun berdasarkan jumlah dividen peringkat satu sebanyak 3.0 sen sesaham dan harga saham Glomac berada pada paras RM0.705 bagi tempoh sehingga 30 April 2017.

Kami akan terus menawarkan pulangan nyata dan juga sebaliknya kepada para pemegang saham kami seperti mana ditunjukkan oleh kekukuhan keuntungan dan lembaran imbangan bagi tahun kewangan TK2017 ketika kami terus berkembang mencatat pertumbuhan tanpa menjejaskan nilai-nilai yang sedia ada, sekali gus memastikan para pemegang saham kami menikmati pulangan yang baik.

Awards

The Group is especially proud of its founders Tan Sri FD Mansor and Datuk Richard Fong, who received 'The Edge Malaysia Outstanding Property Entrepreneur Award 2016', honouring industry captains who have made significant and outstanding contributions in growing their companies into dynamic players in the industry.

Prospects

Looking ahead, the global economy growth rate is projected to reach 3.5%* in 2017 and 3.6%* in 2018, primarily driven by growth in emerging and developing economies. Overall global economic activity is expected to accelerate in 2017 while Malaysia's economic growth rate is forecasted to grow to between 4.3%** and 4.8%** with domestic demand continuing to be the main driver, driven primarily by private sector activity.

The Group will ramp up its sales and marketing initiatives to capitalise on the prevailing strong demand by introducing varied mix of products into ongoing residential and township developments, including terrace houses, semi-Ds and affordable townhouses, as well as retail shops. Plans are also in the pipeline to open up initial phases of terrace houses in new developments to be launched this year namely, Saujana Utama 5 and Saujana Jaya in Kulai, Johor.

We expect to sustain this momentum with the planned launch of RM658 million worth of new development products through the new financial year. All of this will put us in good stead to achieve a stronger sales performance as part of replenishing current unbilled sales, which totals RM556 million as at the close of the year under review.

As the new financial year progresses, we are optimistic of accelerating development projects and landbank replenishment, underpinned by a strong balance sheet and prime landbanks in strategic multiple locations within the Klang Valley which have a Gross Development Value of RM7 billion.

The Group has and will further improve efficiency as it continues to streamline operations, manage costs, cash flow and explore new business opportunities with the hope of an improved global economy in two to three years time. In addition, efforts will also continue to focus on consolidating and building a strong development platform to ensure sustainable long term growth for the Group.

* *Source-IMF World Economic Outlook April 2017*
** *Source-Bank Negara Annual Report 2016*

Anugerah

Kumpulan berasa bangga apabila kedua-dua pengasasnya Tan Sri FD Mansor dan Datuk Richard Fong telah menerima Anugerah Kecemerlangan Usahawan Hartanah The Edge Malaysia 2016 (The Edge Malaysia Outstanding Property Entreprenuer Award 2016) bertujuan menghargai peneraju-peneraju industri yang memberikan sumbangan besar dan cemerlang dalam memajukan syarikat-syarikat mereka sehingga mencapai tahap yang dinamik di negara ini.

Prospek

Melihat ke hadapan, kadar pertumbuhan ekonomi global dijangka mencapai 3.5%* pada tahun 2017 dan 3.6%* pada tahun 2018, terutamanya didorong oleh pertumbuhan ekonomi dalam negara-negara yang baru muncul dan negara-negara sedang membangun. Keseluruhan aktiviti ekonomi dunia dijangka menjadi semakin pesat pada tahun 2017 manakala kadar pertumbuhan ekonomi Malaysia diunjurkan meningkat antara 4.3%** hingga 4.8%** dengan permintaan domestik kekal menjadi penggerak utama, terutamanya didorong oleh aktiviti sektor swasta.

Kumpulan akan meningkatkan inisiatif jualan dan pemasarannya untuk mengambil manfaat daripada permintaan yang sedia kukuh dengan memperkenalkan campuran pelbagai bentuk produk dalam projek pembangunan kediaman dan perbandaran yang sedang dilaksanakan termasuk rumah teres, rumah berkembar atau Semi-D dan rumah bandar mampu milik, serta kedai-kedai komersial. Perancangan juga dibuat untuk menawarkan fasa permulaan rumah teres dalam projek pembangunan yang akan dilancarkan pada tahun ini iaitu Saujana Utama 5 dan Saujana Jaya di Kulai, Johor.

Kami menjangka dapat mengekalkan momentum ini melalui pelancaran produk-produk pembangunan yang baharu bernilai RM658 juta pada tahun kewangan yang berikutnya. Semua ini akan meletakkan kami pada kedudukan yang dapat mengukuhkan lagi prestasi jualan sebagai sebahagian usaha meningkatkan jualan belum dibilkan yang berjumlah RM556 juta pada akhir tahun kewangan ini.

Dalam melangkah memasuki tahun kewangan yang baharu, kami berkeyakinan dapat melaksanakan projek-projek pembangunan secara lebih pesat dan menambah semula bank-bank tanah, dengan sokongan lembaran imbangan yang kukuh dan memiliki kawasan-kawasan tanah utama di pelbagai lokasi strategik di Lembah Klang dengan Nilai Pembangunan Kasar berjumlah RM7 bilion.

Kumpulan akan sentiasa menambah baik lagi kecekapan ketika operasinya terus diselaraskan, kos dan aliran tunai dikendalikan dengan bijak sambil turut menerokai peluang-peluang perniagaan yang baharu dengan harapan ekonomi dunia kembali pulih dalam tempoh dua atau tiga tahun akan datang. Selain itu, usaha juga terus ditumpukan kepada konsolidasi dan membangunkan platform pembangunan yang kukuh dalam memastikan Kumpulan menikmati pertumbuhan jangka panjang yang mampan.

* *Source-IMF World Eonomic Outlook April 2017*
** *Source-Bank Negara Annual Report 2016*

Acknowledgements

In closing, allow me to extend my deep appreciation to the Board for their vision, counsel and direction in guiding Glomac Berhad through a challenge year. On behalf of the Board of Directors and Management team, I would also like to extend my sincere gratitude and humble appreciation to our shareholders, customers, business partners, state governments, regulatory bodies and authorities for their continued support. I am also deeply appreciative of the dedication and commitment of our employees in contributing to another solid performance. At this juncture, may I on behalf of the Board, Management and staff bid farewell to General Tan Sri Abdul Aziz bin Zainal on his retirement from the Board and extend a warm welcome to our new Non-Independent Non-Executive Director, Datuk Seri Johan Bin Abdullah (Alternate Director to YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim) and Ms. Shan Choo who has been appointed as Glomac Independent Director, Audit Committee Member and Nomination Committee Member.

It is my hope that we will continue to forge ahead as one with confidence in meeting the challenges that await us in the coming year.

Penghargaan

Akhir bicara, saya ingin merakamkan setinggi-tinggi penghargaan kepada Lembaga Pengarah atas visi, nasihat dan tunjuk ajar mereka membimbing Glomac Berhad mengharungi tahun yang sukar. Bagi pihak Lembaga Pengarah dan juga barisan pengurusan, saya ingin menyampaikan rasa terima kasih dan penghargaan kepada para pemegang saham, pelanggan, rakan kongsi perniagaan, kerajaan negeri, badan-badan kawal selia dan pihak berkuasa atas sokongan mereka yang berterusan. Saya amat menghargai dedikasi dan komitmen kakitangan kami kerana sekali lagi membantu mencapai prestasi yang kukuh. Saya bagi pihak Lembaga Pengarah, Pengurusan dan kakitangan juga mengucapkan selamat bersara kepada Jeneral Tan Sri Abdul Aziz bin Zainal yang sebelum ini menganggotai Lembaga Pengarah Glomac dan mengalu-alukan pelantikan Pengarah Bukan Bebas Bukan Eksekutif, Datuk Seri Johan Bin Abdullah (Pengarah Alternatif kepada YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim) dan juga Cik Shan Choo yang dilantik sebagai Pengarah Bebas Glomac, Ahli Jawatankuasa Audit dan Ahli Jawatankuasa Penamaan.

Sememangnya menjadi harapan saya, kita akan terus bersama-sama mara ke hadapan sebagai satu pasukan yang berkeyakinan tinggi untuk mendepani cabaran pada tahun yang mendatang.

DISCUSSION & ANALYSIS

Dear Valued Shareholders,

This Management's Discussion and Analysis ("MD&A") is intended to provide readers with an assessment of the financial and operational performance of Glomac Berhad over the 12-month period ended 30 April 2017, as well as forward-looking statements which reflect management's expectation regarding the Group's prospects and its commitment to be a leading property developer, delivering outstanding services and quality products to its customers.

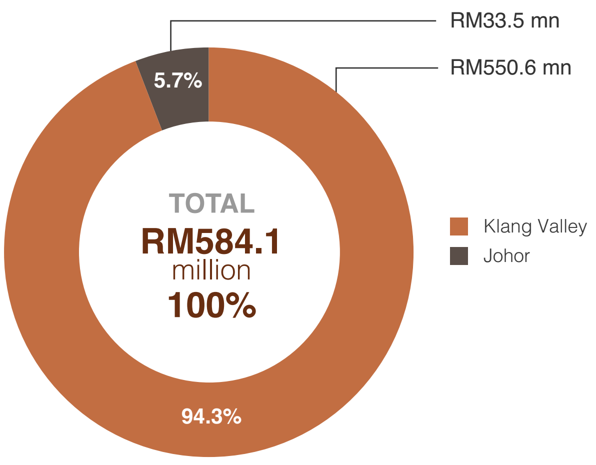
Financial Performance

The Group's overall financial performance was satisfactory despite the challenging business environment. In the financial year ended 30 April 2017 ("FY2017"), Glomac recorded revenue of RM584.1 million, compared to RM616.6 million achieved in the previous financial year ("FY2016"). Although revenue was largely unchanged, the Group posted a commendable pre-tax profit of RM169.7 million, a 39% surge from RM122.4 million recorded in FY2016. The improvement was partly bolstered by gains from the sale of development land in Cheras, which was completed early in the financial year. Consequently, profit attributable to owners of the Company expanded 34% to RM108.2 million.

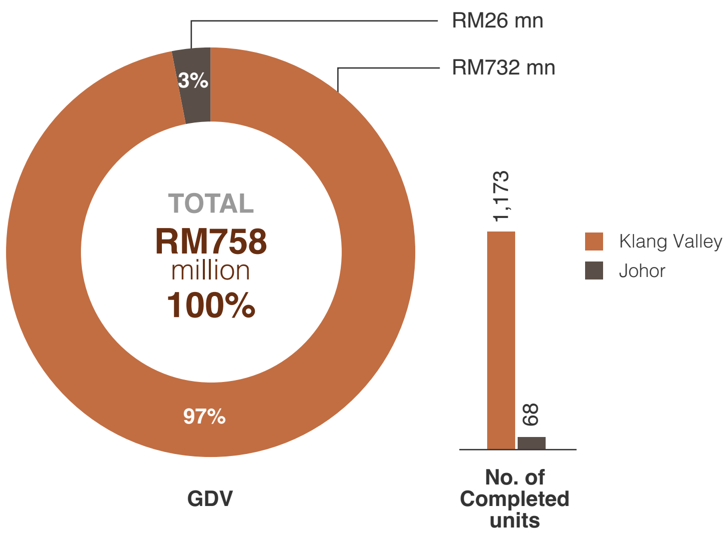
Landed residential developments remained the mainstay of the Group's financial performance. Notable contribution came from Saujana KLIA, our ongoing affordable township project and Lakeside Residences, our flagship development in Puchong. Saujana Perdana, an extension of our highly successful and matured Bandar Saujana Utama township, has also started contributing positively to revenue, with its impressive sales take-up since the official launch in the second half of FY2017.

During the year under review, we have successfully completed 1,241 units of properties with total Gross Development Value ("GDV") of RM758 million, derived mainly from two key projects in Klang Valley, namely Glomac Centro and Reflection Residences @ Mutiara Damansara.

FY2017 Revenue Contribution by Region



FY2017 Completed Units by Region



The Group's balance sheet continued to improve as a result of tight financial discipline as well as a lower level of development activity over the past two to three years. As at end-FY2017, total cash and cash equivalents rose to RM307.8 million from RM263.8 million a year ago, bringing Glomac's net gearing ratio further down to 0.20x from 0.25x in FY2016. The healthy balance sheet position will continue to support the Group's future development activity and landbanking initiatives. The healthy cash levels coupled with capacity to gear up places the Group in a position to consider sizeable land deals.

Glomac's net assets attributable to shareholders stood at RM1,077.5 million, an improvement from RM992.0 million as at end-FY2016. On a per share basis, net assets attributable to shareholders improved to RM1.49 from RM1.38 in the same period, representing an 8% improvement from the previous financial year.

Dividends

Glomac strives to maintain a healthy and uninterrupted dividend track record, guided by the belief that all shareholders should participate in the growth and financial performance of the Group. In this respect, our Board has proposed the payment of a final single-tier dividend of 1.5 sen per share in respect of the financial year ended 30 April 2017.

Coupled with the interim single-tier dividend of 1.5 sen per share paid on 15 May 2017, this would bring a total dividend payment of 3.0 sen per share for the full financial year, translating into a dividend yield of 4.3% based on Glomac's closing share price of RM0.705 as of 30 April 2017. The proposed final single-tier dividend is subject to Glomac shareholders' approval at the upcoming 33rd Annual General Meeting.

Property Development

In FY2017, Glomac launched RM290 million worth of new products, comprising landed residential properties across Klang Valley and Johor, including new phases at Saujana Perdana in Sungai Buloh, Lakeside Residences in Puchong and Sri Saujana, in Johor.

New launches at Saujana Perdana consisted of 483 units double storey terrace houses with a total GDV of RM203 million. These were well-received with 94% sales achieved as at end April 2017.

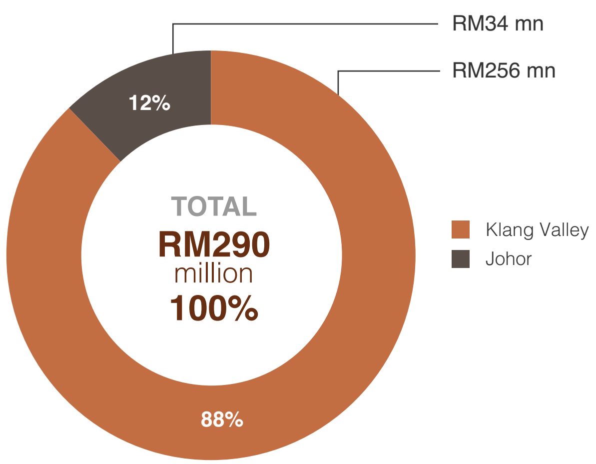
We launched ALIA at Lakeside Residences, comprising 66 units double storey terrace houses with GDV of RM53 million. ALIA is the latest phase (Phase 7) in Lakeside Residences, our RM3 billion mixed development project with proximity to Puchong's commercial hub. The new phase was warmly received with 68% take-up rate as at end April 2017.

Sri Saujana, one of Glomac's ongoing township projects in Johor, also unveiled its latest phases of landed residential with GDV of RM34 million. The landed houses were 47% sold as at end April 2017.

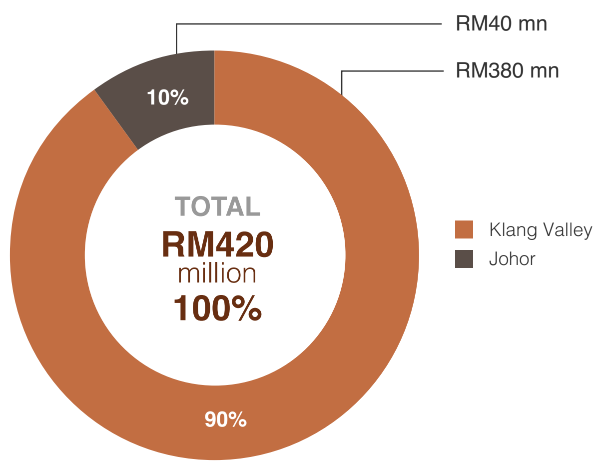
Given that the Group only launched RM290 million worth of new products during the year, we were highly encouraged by the new sales of RM420 million generated in the financial year under review. This was mainly underpinned by contribution from our township developments, primarily from projects within the Klang Valley region. Our affordable township developments continue to be the bright spot in an otherwise lacklustre environment.

More than 70% of total new sales were generated from two key projects - ongoing phases in Saujana KLIA and our maiden launch in Saujana Perdana, the latest phase of our highly successful Bandar Saujana Utama township project located in Sungai Buloh.

FY2017 Launches by Region



FY2017 Sales Contribution by Region



Review Of Property Projects

Launched	: 2015
GDV	: RM1.2 billion
Launched GDV	: RM517 million
Take-Up Rate	: 97%
FY2017 sales	: RM73 million
Unbilled sales	: RM245 million

Saujana KLIA

Saujana KLIA, a 192-acre township development, is in close proximity to Putrajaya, the Federal administrative centre, Cyberjaya, Dengkil and Nilai. The townships does not only enjoy good accessibility via MEX, LDP and the Elite expressways, it is also surrounded by world class amenities such as KLIA, KLIA2, Sepang F1 Circuit, KL International Outlet and several universities, colleges and international schools.

Launches at the RM1.2 billion affordable township have enjoyed overwhelming response, with its launched landed residential and commercial units mostly sold out to-date. New phases earmarked for launch in FY2018 comprise of semi-detached units and townhouses with a combined GDV of RM105 million.

Lakeside Residences, Puchong

Launched	: 2012
GDV	: RM3.06 billion
Launched GDV	: RM492 million
Take-Up Rate	: 95%
FY2017 sales	: RM58 million
Unbilled sales	: RM33 million

Strategically located with proximity to Puchong's thriving commercial hub, **Lakeside Residences** is Glomac's flagship project in the Klang Valley. An integrated residential development, the project is sited on 200-acre of prime land with a total estimated GDV over RM3 billion. Initial phases comprised of terrace houses, serviced apartments, condominiums and shop-offices.

Lakeside Residences can be accessible easily via major highways, namely KESAS, LDP, Bukit Jalil Highway and the North South Highway. Its prime location is further augmented by the Ampang LRT line extension which started operation in April 2016. The project is nestled within landmark amenities such as IOI Mall, Tesco and Giant Puchong.

This mixed development community continues to deliver sustained sales. ALIA, the latest phase, comprising double storey terrace houses with a total GDV of RM53 million, was 68% sold as at end-April 2017. Since launched, Lakeside Residences has achieved 95% overall take-up as at end-April 2017.

Plans are in place to introduce commercial units into the development in the third quarter of FY2018. This will consist of 43 units of retails shops with an estimated GDV of RM61 million.

Launched	: 1997
GDV	: RM2.77 billion
Launched GDV	: RM1.81 billion
Take-Up Rate	: 99%
FY2017 sales	: RM235 million
Unbilled sales	: RM243 million

Bandar Saujana Utama, Sungai Buloh

Glomac's established **Bandar Saujana Utama** township was launched two decades ago. Located on 1,000 acres in Sungai Buloh the population of the vibrant township has grown to 65,000, with mostly young and growing families seeking a healthy environment to live in.

Bandar Saujana Utama's sizeable residential enclave has been planned to be a self-contained township, supported by the many commercial hubs within, and surrounded by its own residents' clubhouse, parks, schools and hypermarkets. Connectivity continues to improve with the completion of the KL-Kuala Selangor Expressway and the Sungai Buloh – Kajang MRT line.

This township project continues to yield remarkable sales with close to 100% take-up rate for its previous launches. Riding on the success of the thriving township and continual demand from homebuyers, the Group has further expanded in the area with two more projects, namely Saujana Perdana and Saujana Utama V. These two developments, sited on a combined 262-acre, has a potential estimated GDV of RM1.1 billion. In FY2017, the Group made its debut launch at Saujana Perdana to resounding success, achieving 94% sales for its 483 units terrace houses launched with a GDV of RM203 million.

In FY2018, we plan to unveil another RM354 million worth of properties in Saujana Perdana, consisting of double-storey terrace houses, double-storey shops and affordable townhouses, as well as maiden phases in Saujana Utama V, comprising double-storey terrace houses worth RM24 million in GDV.

Launched	: 1999
GDV	: RM780 million
Launched GDV	: RM564 million
Take-Up Rate	: 94%
FY2017 sales	: RM40 million
Unbilled sales	: RM35 million

Sri Saujana, Johor

Sited on 450 acres, **Sri Saujana** is a fast growing modern township unveiled back in 1999. This affordable township is strategically located just 10 minute-drive from Ulu Tiram and Kota Tinggi, surrounded by amenities such as secondary and religious schools, supermarkets and shops, a multi-purpose hall, petrol station, health clinic, surau and mosque.

The self-contained township features a 20-acre Recreation Park which serves as the green lung of this township. It offers a wide range of residential and commercial units, catering to different buyers' needs and budget. To-date, we have completed more than 3,330 houses and 135 shops with a population of approximately 14,000 in this maturing township.

Sri Saujana enjoys superb access through Jalan Johor Bahru – Kota Tinggi Road to main destinations in Johor Bahru such as Senai International Airport Johor. It also offers a comfortable 30-minute drive to Johor Bahru via the Eastern Dispersal Link Highway (EDL) and easy access to the North–South Expressway (PLUS) via the Senai-Desaru Expressway.

Sri Saujana enjoys an overall take-up rate of 94% on its launched products, including the latest phase of homes, comprising 87 units terrace houses with a GDV of RM34 million.

Glomac Centro

Launched	: 2012
GDV	: RM374 million
Launched GDV	: RM374 million
Take-Up Rate	: 90%

Centro V

GDV: RM240 million
To-be-launched

Glomac Centro resides on 7.62 acres as a mixed residential development designed to offer an inclusive urban lifestyle within the prime location of Bandar Utama. The project comprises a contemporary 29-storey serviced apartment block and modern double storey shop offices, where a mix of established medical, recreational and shopping amenities is within easy reach.

It is surrounded by excellent amenities with a short drive away to higher education institutions such as KDU, KBU and Segi College. It is also extremely well-connected with easy accessibility to major highways such as SPRINT, NKVE and LDP.

Glomac Centro benefits greatly from the large population catchment area as it sits in the midst of lively and well established areas, such as Bandar Utama, Damansara Utama, Taman Tun Dr. Ismail, Mutiara Damansara and Mont Kiara. The Bandar Utama MRT station, which is part of the newly opened Sungai-Buloh – Kajang MRT line is just 1.5 km away and will facilitate greater connectivity and a rise in real estate value in the near future.

Centro V, Phase 2 of the development, has an initial development plan that includes serviced apartments and shop offices with total estimated GDV of RM240 million. We are in the midst of fine-tuning and reconfiguring the development layout for this new phase to better cater to current market needs.

Investment Properties Component:

Launched : 2009
Completion : 2016
Launched GDV : RM513 million

Menara Glomac

Completion: 2012
Book Value: RM76 million

Glo Damansara Mall

Completion: 2016
Book Value: RM318 million

Glomac Damansara

Glomac Damansara is an integrated freehold business hub with a residential component in a prime Kuala Lumpur address. The entire development was fully completed in 2016. It comprises a 25-storey corporate tower (sold en-block to Lembaga Tabung Haji), a 16-storey office building, surrounded by 12 units of five and eight-storey of shop offices, 356-unit twin serviced apartment towers, the Glomac Damansara Residences and a boutique retail mall, called GLO Damansara.

It is primely sitting on a 6.8-acre plot of land along Jalan Damansara with close proximity to Taman Tun Dr. Ismail with easy access via the Sprint, LDP, NKVE, Penchala Link as well as inter-town roads within Petaling Jaya.

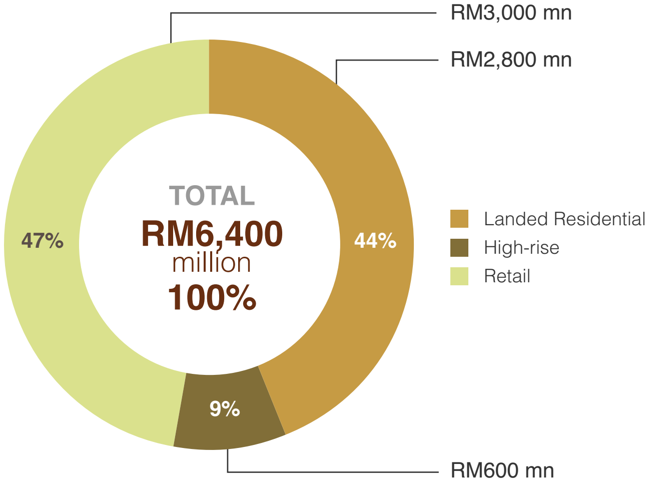
GLO Damansara, our retail mall, has a net lettable area of 350,000 sq ft. It is positioned as a premier lifestyle and neighbourhood mall, drawing in professionals placed in the various offices within Glomac Damansara as well as the surrounding neighbourhood.

The mall is connected with a covered link bridge to the Taman Tun Dr Ismail MRT Station, with just less than 5-minute walk. The 6-storey mall has over 200 retail lots and 4-storey carparks of approximately 760 parking bays. Since opened in April 2016, GLO Damansara has gradually drawn in the occupants. Key tenants now include Ben's Independent Grocer, Ben's General Food Store, Bank Rakyat, WORQ, Life Yoga Café Ceramic, myNews.com, and various F&B outlets including Restaurant Extra Super Tanker, Las Vacas, Para Thai, Teratak, Out of Seoul, Maka Makan, Modi & Rosa Italian Dining, Bumbu Cabe and Canton Kitchen.

Prospects and Outlook

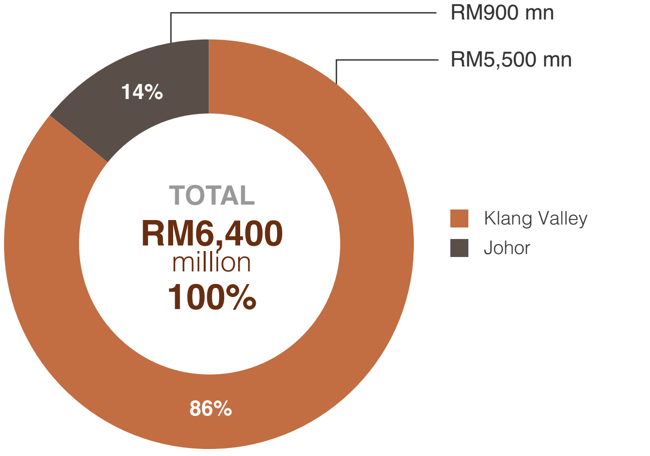
Amidst consolidation in the property market, Glomac has continued to build a solid development platform to sustain future growth. The Group currently has prime land with available estimated total GDV of RM6.4 billion across Klang Valley and Johor, of which 44% are landed residential and affordable township development projects.

Future GDV by Product Type



In terms of future GDV breakdown by geographical regions, projects within the Klang Valley accounts for 86% of the Group's future GDV, whilst the balance of 14% would be in Johor.

Future GDV by Region



The Group continues to operate in a challenging environment. While the pace of domestic GDP expansion in 2017 appears to be on the uptick, sentiment in the overall property market remains soft. Until mortgage financing guidelines are relaxed by regulators, we believe the operating environment for developers will remain subdued in the current financial year.

Nonetheless, the Group will continue to plan for and position to capitalise on where opportunities are present. As a long term player, we have weathered previous market consolidations successfully, and emerged for the better. This time will be no different, and we strongly believe that is even more important to our long-term journey that we continue to make our presence felt in the marketplace with new launches. We will be diligent, innovative and strategise our launches with the aim of generating positive sales momentum for the Group.

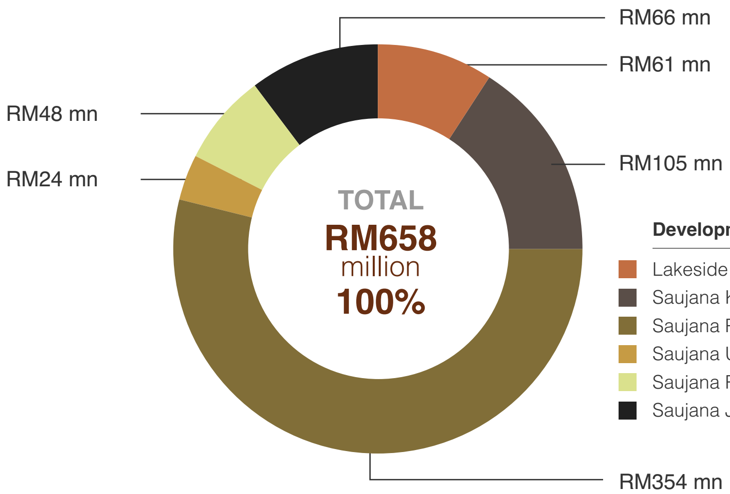
In this respect, Glomac is relatively well-positioned as a result of our timely shift in landbanking strategy 3 to 4 years ago. Our Board took the decision then to re-focus our resources on landed township developments. While township developments are more capital intensive and have an inherently longer gestation period, they are more sustainable and generate more consistent sales. As a result of the decision taken, the Group now has four ongoing township projects and is well represented in Klang Valley and Johor.

Our planned launches in the current financial year is expected to total RM658 million, and 82% of this value is anchored by projects in the landed residential segment. Drilling down further, some 75% of targeted launches will comprise bread-and-butter products, specifically double-storey terrace houses in matured locations with established communities.

Our other launches include the maiden debut of shop houses at Lakeside Residences with GDV of RM61 million, and RM105 million worth of semi-detached units and townhouses at Saujana KLIA. We feel that after having successfully launched close to RM0.5 billion worth of residential properties at Lakeside Residences over the past few years, the time is ripe to introduce a commercial component into this guarded enclave. These shops will serve the growing community in the location, and facilitate the introduction of more lifestyle amenities.

As for the semi-Ds and townhouses at Saujana KLIA, this broadens our product range and provides our buyers with some product differentiation and choices. The connectivity and infrastructure surrounding this township has progressed substantially in recent years and based on our assessment and internal studies, there is unfulfilled demand for slightly higher-end products in that locale. All our launches at Saujana KLIA to date have comprised double-storey terrace houses.

FY2018 Planned Launches



Development Project	Project Type
Lakeside Residences	: Shops
Saujana KLIA	: Semi-Ds & Townhouses
Saujana Perdana	: Terrace Houses & Affordable Homes
Saujana Utama 5	: Terrace Houses
Saujana Rawang	: Terrace Houses
Saujana Jaya, Kulai Johor	: Terrace Houses

We ended FY2017 with unbilled sales of RM556 million across four ongoing projects. Given the measured pace of our launches over the past few years, this is unsurprisingly below our average over the previous four financial years of more than RM700 million. However, the RM556 million of future billings, coupled with steady development works across our projects, continue to provide healthy earnings visibility over the next few quarters.

The launches in the pipeline this year will help to sustain earnings performance but with more meaningful impact and contribution to be felt from FY2019 onwards. Concurrently, we are also re-emphasising the sale of completed inventory to strengthen our near-term earnings delivery, as well as improve our cash position. The carrying value of our inventories amounted to RM143.7 million as at 30 April 2017. Overall, we expect financial performance of the Group in the current year to be modest.

For the longer term, prospects remain encouraging. We are well-positioned to ride the market recovery given our strong branding, established business platform, and strategic location of our undeveloped landbank. Excluding the launches planned for FY2018, Glomac still has future GDV of RM5.8 billion. Potentially, this figure can scale up to RM6.2 billion to RM6.3 billion as we are constantly making improvements to our layout and planning to improve the efficiency and yield of our landbank. We have a good mix of products across the entire real estate spectrum and can mobilise launches in tandem with any upturn in the property market. Our balance sheet is in a very healthy position, with cash levels as at 30 April 2017 at RM307.8 million. Our net gearing is meanwhile at 0.20x shareholders' funds. This is a manageable level and the Group can gear up further to fund the right opportunities as and when they arise.

Datuk Seri FD Iskandar
Group Managing Director/Chief Executive Officer

STATEMENT

The Board of Directors (the "Board") of Glomac Berhad ("Company" or "Glomac") recognises the importance of adopting robust corporate governance standards in its efforts to enhance shareholders' value, whilst ensuring probity and safeguarding stakeholders' interest. In its application of pertinent governance practices, the Board has taken into consideration the enumerations of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012" or the "Code") and the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

This Corporate Governance Statement ("Statement") sets out how the Company has applied the eight (8) Principles and observed the 26 Recommendations, including Commentaries, of the MCCG 2012 for the financial year ended 30 April 2017. Premised on the "comply or explain" regime, in the instance where a specific Recommendation of the MCCG 2012 has not been observed during the financial year under review, the non-observance, including reasons thereof and, where appropriate, the alternative practice, if any, is mentioned in this Statement.

The Board also appreciates that raising the corporate governance standards is an organic and a qualitative process which requires continuous improvement. In view of the recent release of the new Malaysian Code on Corporate Governance ("new MCCG") by the Securities Commission Malaysia on 26 April 2017, the Company is in the midst of undertaking a review of its existing governance structures, systems and processes to ensure that its practices are kept contemporaneous. Disclosure of the Company's practices vis-à-vis the new MCCG will be made available in the following year's Annual Report as required by the relevant legislative promulgations.

PRINCIPLE 1: ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following principal responsibilities in discharging its fiduciary and leadership functions:

- reviewing, approving and monitoring of overall strategies and direction of the Company, including sustainability of the Group's (comprising of the Company and its subsidiaries) businesses;
- overseeing and evaluating the conduct and performance of the Group's businesses;
- identifying and managing principal risks facing the Group and ensuring the implementation of appropriate systems to manage these risks;
- ensuring appropriate corporate disclosure policy and procedures, including stakeholder communication, are in place for effective dissemination of information which is comprehensive, accurate and timely, and leverage on information technology, where applicable;
- reviewing and monitoring the systems of risk management and internal control (including safeguarding of the Group's assets), continuous disclosure, legal and regulatory compliance and other significant corporate policies; and
- succession planning, including appointing, training, determining compensation and where appropriate, replacing members of the Board.

The Executive Directors are responsible for implementing policies of the Board, overseeing the Group's operations and developing the Group's business strategies for the Board's review and adoption. The Independent Non-Executive Directors play a pivotal role in corporate accountability by providing independent views, advice and judgment to enable a balanced and an unbiased decision making process in safeguarding shareholders' interest. Accordingly, the Board has designated Dato' Ikhwan Salim bin Dato' Hj Sujak as the Senior Independent Non-Executive Director of the Company to whom concerns may be conveyed. The Senior Independent Director also serves as a sounding board for the Chairman and acts as an intermediary for the Non-Executive Directors when necessary.

In order to enhance its effectiveness, the Board has established Board Committees, namely the Audit Committee, Nomination Committee and Remuneration Committee, to examine specific issues within their remit and to report to the Board on their recommendations. The ultimate responsibility for decision making, however, resides with the Board.

The following sections provide explanations on how the Recommendations of Principle 1 of the MCCG 2012 have been observed by the Board.

(i) Board Charter ("Charter")

In tandem with its objective of enhancing accountability, the Board has established clear functions reserved for the Board and those delegated to Management for decision making. There is a formal schedule of matters which specifically demarcates matters reserved for the Board's deliberation and decision to ensure that control and direction of the Company's operations are vested with the Board.

Key matters specifically reserved for the Board include the following:

- corporate plans, programmes and new ventures;
- conflict of interest issues relating to a substantial shareholder or a Director;
- material acquisitions and disposition of assets;
- investments in capital projects;
- risk management policies; and
- corporate announcements to regulatory authorities.

The delineation of roles as clearly set out in the Charter serves as a frame of reference for the activities of the Board. The Charter also provides guidance for Directors and Management regarding responsibilities of the Board, its Committees and Management, the roles of Directors in discharging their fiduciary duties as well as the protocol for boardroom activities.

The responsibilities between the Group Executive Chairman, Group Executive Vice-Chairman and the Group Managing Director/Chief Executive Officer are also defined to ensure a balance of power and authority. To illustrate, the Chairman is called upon to provide leadership to the Board and ensure that appropriate procedures are in place to govern the Board's operations.

The Charter is reviewed periodically and made publicly available on the Company's website at www.glomac.com.my.

(ii) Code of Ethics and Conduct

The Board has formalised a Code of Ethics and Conduct which sets out broad principles and standards of business ethics and conduct. Salient considerations of the document have been embedded in the Charter. The Code of Ethics and Conduct is disseminated to employees of the Group via internal memorandum, and embedded as part of Glomac's onboarding session to be introduced to all new employees. The enumerations of the Code of Ethics and Conduct are integrated into Company-wide management practices whilst being reviewed periodically to ensure their ongoing relevance.

During the financial year under review, the Company formalised an Employee Handbook, which serves to outline prescriptive acceptable behaviour throughout the Group.

The Board has also formalised a set of Whistleblowing Policy and Procedures to provide avenues for stakeholders of the Company to raise legitimate concerns relating to potential breaches of business conduct, non-compliance with legal and regulatory requirements as well as other malpractices. The escalation channels of Glomac's whistleblowing mechanism entail various reporting channels such as immediate superior of the whistleblower, the Head of Human Resource and/or the Senior Independent Director. The Board emphasises good faith in reporting, protection from reprisal as well as confidentiality of the whistleblower's identity.

(iii) Sustainability of business

The Board is mindful of its responsibility on the Environmental, Economic and Social ("EES") aspects of business sustainability. As such, the EES aspects are considered by the Board in the review and approval of corporate strategies.

In addition, the Company has carried out various efforts addressing the EES aspects of its business sustainability, which include leveraging on technology to promote environmental sustainability for selected development projects. Details of the Company's efforts in this regard are contained in the Statement on Corporate Social Responsibility as encapsulated on pages 18 to 21 of the Annual Report.

In view of the amendments to the Listing Requirements pertaining to the Sustainability Statement in 2015, Glomac has embarked on various approaches to enhance the incorporation of sustainability in its business. An awareness session for Senior Management was held on 24 November 2016. The Company is also currently identifying a consultant to assist in the establishment of a sustainability framework for the Group.

(iv) Access to information and advice

In order to assist in the discharge of their responsibilities, Directors are entitled to full and unencumbered access, either as a collective Board or in their individual capacity, to all information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis. All Directors receive the meeting agenda accompanied with a set of Board papers within a reasonable period prior to the meetings, barring ad-hoc or emergency papers.

Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanation on specific items on the meeting agenda, where necessary.

The Board has a policy embedded in the Board Charter enabling Directors to obtain independent professional advice at the Company's expense, if considered necessary, in furtherance of their duties. If a Director considers such advice necessary for the discharge of his duties and responsibilities as Director and, for the benefit of the Company, such Director shall first discuss it with the Chairman. Similar access is also extended to all members of Board Committees.

(v) Company Secretaries

Directors are accorded with unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly apprised and advised by both Company Secretaries who are professionally qualified, experienced and competent on statutory and regulatory requirements as well as pertinent governance matters. In discharging their role as counsels to the Board, the Company Secretaries also ensures proper supply of relevant information as well as ensuring the accuracy and adequacy of meeting materials, recording of meeting minutes and resolutions of the Board and Board Committees.

(vi) Shareholder communications

The Board has established numerous engagement fora to facilitate effective communication with its shareholders and other stakeholders, including the following:

- annual report and quarterly results;
- announcements, circular to shareholders and other information as required by the Listing Requirements;
- press releases;
- general meetings;
- analyst results briefings;
- corporate website; and
- social media.

Details of the communication channels for shareholders are further provided in Principle 8 of this Statement.

PRINCIPLE 2 – STRENGTHENING THE BOARD'S COMPOSITION

As of the date this Statement was approved, the Board consists of three (3) Executive Directors, three (3) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and one (1) Non-Independent Non-Executive Alternate Director. This composition fulfils Paragraph 3.04 of the Listing Requirements, which stipulates that at least two (2) Directors or one-third of the Board, whichever is higher, must be independent. The profile of each Director is set out on pages 6 to 14 of this Annual Report. The Directors, with their diverse backgrounds and qualifications, collectively bring with them a wide range of experience and expertise on property development, engineering, entrepreneurship, accounting, audit, legal, economics, and leadership and management.

(i) Nomination Committee

The Board established a Nomination Committee to consider candidates for directorships and Board Committee memberships, and to review the effectiveness of the Board, through performance assessment of the Board, Board Committees and individual Directors.

The Nomination Committee comprises the following members:

- Dato' Ikhwan Salim bin Dato' Hj Sujak, Chairman of Nomination Committee and Senior Independent Non-Executive Director;
- Datuk Ali bin Tan Sri Abdul Kadir, Independent Non-Executive Director;
- General Tan Sri Abdul Aziz bin Zainal (R), Independent Non-Executive Director (retired on 28 February 2017); and
- Ms. Shan Choo, Independent Non-Executive Director (appointed on 3 July 2017).

Terms of reference

The Board has stipulated specific terms of reference for the Nomination Committee, which covers, inter-alia, the following salient functions:

- to consider, in making recommendations to the Board, candidates for all directorships or Board Committees, including the position of Independent Non-Executive Director, in respect of their skills, knowledge, expertise, experience, professionalism and integrity; and in the case of Independent Non-Executive Directors, their abilities to discharge such responsibilities or functions as expected from an Independent Non-Executive Director;
- to assist the Board in reviewing on an annual basis, the required mix of skills, experience and diversity, including gender, age and ethnicity of the Directors of the Board and Board Committees;
- to recommend to the Board its appropriate balance and size, including non-executive participation, vis-à-vis the needs of the Company; and
- to establish procedures and processes towards an annual assessment of the effectiveness of the Board, as a whole, Board Committees and contribution of each individual Director, including Independent Non-Executive Directors and the Group Managing Director/Chief Executive Officer. The assessment and evaluations are properly documented.

Whilst the Board appreciates that a gender-diverse board will help to avert "blind spots" and mitigate "groupthink", the Board has yet to formalise any specific target on women Directors at this juncture as its current focus is to have Directors with requisite skills and experience to enable the Company to realise its corporate strategies and objectives. As a testament to the Company's effort in this regard, a woman director, namely, Ms. Shan Choo has recently been appointed to the Board, thus, paving the way for greater gender diversity. The detailed terms of reference for the Nomination Committee is publicly available on the Company's website at www.glomac.com.my.

Key activities for the financial year

For the financial year ended 30 April 2017, the Nomination Committee carried out, and reported to the Board on the outcome of, the following key activities:

- performed an assessment on the Board, Board Committees and individual Directors for the financial year ended 30 April 2016, including a review on the independence of Independent Non-Executive Directors, particular in relation to the 9-year limit on the tenure of Independent Non-Executive Directors;
- reviewed and recommended the re-appointment and/or re-election of Directors retiring pursuant to the Companies Act 2016 and the Company's Constitution, all of whom were re-appointed and/or re-elected by the shareholders during Glomac's 32nd Annual General Meeting held on 21 September 2016; and
- recommended the continuance of a Director exceeding the 9-year tenure limit, who was re-appointed as Independent Non-Executive Director by the shareholders during Glomac's 32nd Annual General Meeting held on 21 September 2016.

Subsequent to the financial year ended 30 April 2017, the Nomination Committee carried out, and reported to the Board the outcome of, the following key activities:

- performed an assessment on the Board, Board Committees and individual Directors for the financial year ended 30 April 2017;
- reviewed and recommended the re-appointment and/or re-election of Directors retiring pursuant to the Companies Act 2016 and the Company's Constitution;
- reviewed the independence of Independent Non-Executive Directors, particularly in relation to the 9-year limit on the tenure of Independent Non-Executive Directors; and
- recommended the continuance of an Independent Non-Executive Director exceeding the 9-year tenure limit.

The details of meeting attendance of the Nomination Committee during financial year ended 30 April 2017 are as follows:

Name of Director	Meetings attended	Percentage of attendance (%)
Dato' Ikhwan Salim bin Dato' Hj Sujak (Chairman)	2/2	100%
Datuk Ali bin Tan Sri Abdul Kadir	2/2	100%
General Tan Sri Abdul Aziz bin Zainal (retired on 28 February 2017)	2/2	100%
Ms. Shan Choo (appointed on 3 July 2017)	-	-

Performance assessment of the Board, Board Committees and individual Directors

A formal performance assessment of the Board, Board Committees and individual Directors enables the Board to assess its performance and identify areas for improvement. A formal assessment of the Board's effectiveness was conducted for the financial year ended 30 April 2017 under the supervision of the Nomination Committee, facilitated by the Company Secretaries. Assessment instruments were designed for Board members to provide their input ratings, covering both Board and self-peer evaluation. The criteria for the assessment instruments were developed primarily based on the Corporate Governance Guide – Towards Boardroom Excellence, taking into consideration the following key aspects:

- appropriate size, composition, independence, mix of skills and experience within the Board and the Board Committees;
- clear definition of the Board and Board Committees' roles and responsibilities;
- functioning of the Board and Board Committees in a productive, objective, timely, effective and efficient manner;
- open communication of information and active participation within Board and Board Committees; and
- proper discharge of responsibilities and leadership by the Chairmen of the Board and Board Committees.

Board nomination and selection process

In relation to the appointment of Directors, the Nomination Committee was guided by the following process on the nomination and election of Directors:

- candidates may be sourced by the Nomination Committee using a variety of approaches including recommendations by the existing Directors or major shareholders;
- the Nomination Committee assesses and recommends the candidates to the Board, as appropriate; and
- the Board appoints the successful candidate as Director and recommends the newly appointed Director for re-election at the upcoming General Meeting.

The Company Secretaries are tasked to ensure all appointments are properly made and all necessary information is obtained from the Directors, for the Company's records and for the purposes of meeting statutory obligations as well as obligations arising from the Listing Requirements.

For the re-appointment and/or re-election of Directors, the Nomination Committee assessed and reviewed the Directors submitting themselves for re-appointment and/or re-election and made appropriate recommendations to the Board to be tabled at the Annual General Meeting ("AGM") for shareholders' approval.

In recommending the appointment, re-appointment or re-election of Directors, the Nomination Committee took into account the following:

- the required mix of skills, experience and diversity, including gender, age and ethnicity, where appropriate;
- character, knowledge, expertise, professionalism, integrity and time availability;
- in the case of Directors seeking re-appointment and/or re-election, the results of the assessment on individual Directors, including the Independent Non-Executive Directors and the Group Managing Director/Chief Executive Officer; and
- in the case of Independent Non-Executive Directors, their abilities to discharge such responsibilities and functions as expected from Independent Non-Executive Directors.

Notwithstanding the abolishment of the requirement for Directors aged 70 and above to seek annual shareholders' approval under the new Companies Act regime, the Company will continue to put forth a shareholders' resolution at the forthcoming AGM for the re-appointment of Tan Sri Dato' Mohamed Mansor bin Fateh Din, who has attained the age of 77 years, thus, giving cognisance to the rights of shareholders who have formerly voted for the re-appointment of the said Director at the previous AGM.

(ii) Remuneration Committee

In order to assist the Board in developing fair remuneration practices for the purpose of attracting, retaining and motivating Directors, the Board established a Remuneration Committee to review Directors' remuneration matters and make relevant recommendations to the Board.

The Remuneration Committee comprises the following members:

- Dato' Ikhwan Salim bin Dato' Hj Sujak, Chairman of Remuneration Committee and Senior Independent Non-Executive Director;
- Datuk Ali bin Tan Sri Abdul Kadir, Independent Non-Executive Director; and
- Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor, Group Managing Director/Chief Executive Officer.

Terms of reference

The Board has stipulated specific terms of reference for the Remuneration Committee, which include the following functions:

- to review the annual remuneration packages of each individual Director (both Executive and Non-Executive) such that the levels of remuneration are sufficient to attract and retain the Directors needed to helm the Company successfully; and
- to recommend to the Board the remuneration packages of the Directors (both Executive and Non-Executive) of the Company. In respect of Directors' fees and other benefits payable, shareholders' approval is sought at the AGM.

Directors do not participate in the discussion of their own remuneration.

The terms of reference for the Remuneration Committee is publicly available on the Company's website at www.glomac.com.my.

Key activities for the financial year

The details of meeting attendance of the Remuneration Committee during financial year ended 30 April 2017 are as follows:

Name of Director	Meetings attended	Percentage of attendance (%)
Dato' Ikhwan Salim bin Dato' Hj Sujak (Chairman)	2/2	100%
Datuk Ali bin Tan Sri Abdul Kadir	2/2	100%
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	2/2	100%

In determining the level and composition of Directors' remuneration, the Remuneration Committee and the Board take into account the demands, complexities and performance of the Company as well as the skills and experience that are required of the Directors.

The remuneration packages of the Non-Executive Directors are structured on the basis of their qualification, experience and competence, having regard to their responsibilities, time commitment and annual evaluation as undertaken by the Nominating Committee. The Non-Executive Directors are not subjected to performance-based remuneration schemes in order to avert conflicts with their obligation to bring objectivity and independent judgment on matters discussed at Board meetings.

On the other hand, the remuneration packages of Executive Directors are structured with a link to corporate and individual performance as well as relative shareholders' returns. The remuneration packages comprise of fixed as well as variable components and take into account similar packages at comparable companies.

Details of Directors' remuneration for the financial year ended 30 April 2017 are as follows:

	Group (RM)	Company (RM)
Executive Directors		
Salaries	4,020,000	201,000
Other emoluments[1]	1,915,640	977,440
Benefits-in-kind[2]	96,600	96,600
Total – Executive Directors	**6,032,240**	**1,275,040**
Non-Executive Directors		
Directors' fees	230,000	230,000
Other emoluments[1]	-	-
Benefits-in-kind[2]	-	-
Total – Non-Executive Directors	**230,000**	**230,000**
Total Directors' remuneration	**6,262,240**	**1,505,040**

Notes:
[1] – Comprises of bonuses, Employees Provident Fund ("EPF") on salary and share-based payments
[2] – Comprises of car and driver benefits where relevant

The number of Directors of the Group and Company, whose remuneration levels fall within successive bands of RM50,000, is as follows:

Group

Range of remuneration	Executive Directors	Non-Executive Directors
RM50,000 and below	-	1
RM50,001 – RM100,000	-	3
RM1,900,001 – RM1,950,000	1	-
RM1,950,001 – RM2,000,000	1	-
RM2,100,001 – RM2,150,000	1	-

Company

Range of remuneration	Executive Directors	Non-Executive Directors
RM50,000 and below	-	1
RM50,001 – RM100,000	-	3
RM350,001 – RM400,000	2	-
RM450,001 – RM500,000	1	-

PRINCIPLE 3 – REINFORCING INDEPENDENCE

There is a clear division of responsibilities between the Group Executive Chairman and the Group Managing Director/Chief Executive Officer to ensure a balance of power and authority. The Group Executive Chairman is responsible for the Board's effectiveness and standard of conduct whilst the management of the Group's businesses, implementation of policies and the day-to-day running of the businesses are the responsibilities of the Group Managing Director/Chief Executive Officer.

Equipped with more than 30 years of experience in the property development industry and being the founder and major shareholder of the Company, the Group Executive Chairman's interest is closely aligned with that of the Company's shareholders and the Executive Chairman is well positioned to provide leadership to the Company's Board.

The Independent Non-Executive Directors bring to bear objective and independent views, advice and judgment on interests, not only of the Group, but also of shareholders, employees, customers, suppliers and the communities within which the Group conducts its business. Independent Non-Executive Directors are essential for protecting the interests of minority shareholders and can make significant contribution to the Company's decision making by bringing in the quality of detached impartiality and objectivity.

The Board is aware that Recommendation 3.5 of the MCCG 2012 recommends the Board composition to comprise of a majority of Independent Non-Executive Directors in the event the Chairman is not an Independent Non-Executive Director. Nonetheless, the Board is of the view that, the adoption of a Board Charter which sets out the Board's Reserved Matters as well as the designation of a Senior Independent Non-Executive Director, jointly provide for the relevant checks and balances to ensure that no one individual has unfettered powers in making Board's decision. In addition, the higher proportion of Non-Executive Directors present on the Board of the Company could help to mitigate any possible conflict of interest between the policy-making process and the day-to-day management of the Company.

Following a review of the tenure of Independent Non-Executive Directors, Dato' Ikhwan Salim bin Dato' Hj Sujak, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years as at the end of the financial year under review, has been recommended by the Board to continue to act as an Independent Non-Executive Director, subject to shareholders' approval at the forthcoming AGM of the Company. Key justifications for his recommended continuance as an Independent Non-Executive Director are as follows:

- he fulfils the criteria under the definition on Independent Non-Executive Director as stated in the Listing Requirements and, therefore, is able to bring independent and objective judgment to the Board;
- his experience in industries relevant to the Group's business enables him to provide the Board and the Audit Committee, as the case may be, with pertinent expertise, skills and competence to enable the Board to discharge its responsibilities;
- his commitment to the Company in terms of time expended on the Group, as evidenced by his meeting attendance;
- he was assessed to be "independent in mind" with the will and ability to stand for an objective point of view; and
- he has been with the Company for an optimal period of time to understand the Company's business operations and has accumulate tacit knowledge which in turn enables him to contribute actively during deliberations or discussions at the Board and Audit Committee Meetings, as the case may be.

PRINCIPLE 4 – FOSTERING COMMITMENT

The Board meets at least four (4) times annually, with the meetings scheduled well in advance at the beginning of each financial year to facilitate the Directors in managing their meeting plans. Additional meetings are convened when urgent and important decisions need to be made between the scheduled meetings.

At the quarterly meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues. All pertinent issues discussed at Board meetings in arriving at the decisions, including dissenting comments made, rationale for decisions and conclusions are properly recorded by the Company Secretaries by way of minutes of meetings. During the financial year under review, all the Directors met the minimum 50% Board meeting attendance threshold as promulgated in the Listing Requirements. The number of Board of Directors' meetings attended by each Director is as follows:

Name of Director	Meetings attended	Percentage of attendance (%)
Tan Sri Dato' Mohamed Mansor bin Fateh Din (Group Executive Chairman)	5/5	100%
Datuk Richard Fong Loong Tuck (Group Executive Vice-Chairman)	5/5	100%
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor (Group Managing Director/ Chief Executive Officer)	5/5	100%
Dato' Ikhwan Salim bin Dato' Hj Sujak (Senior Independent Non-Executive Director)	5/5	100%
Datuk Ali bin Tan Sri Abdul Kadir (Independent Non-Executive Director)	5/5	100%
General Tan Sri Abdul Aziz bin Zainal (R) (Independent Non-Executive Director)	2/2*	100%
YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim (Non-Independent Non-Executive Director)	4/5	80%
Ms. Shan Choo (Independent Non-Executive Director)	-*	-

Note: *General Tan Sri Abdul Aziz bin Zainal (R) retired on 28 February 2017 and Ms. Shan Choo was appointed to the Board of Glomac on 3 July 2017.

The Board has also stipulated in its Charter, the need for Directors to notify the Chairman prior to accepting any new directorships and the notification includes an indication of time that will be spent on the new appointment, in order for the Chairman to assess if Directors are able to commit sufficient time to discharge their duties and responsibilities in the Company.

The Board is mindful that continuous education is vital for Board members to gain insights and keep themselves abreast of the state of economy, technological developments, regulatory updates and management strategies to enhance the Board's skill sets and knowledge in discharging its responsibilities. All Directors appointed to the Board, save for Ms. Shan Choo who was recently appointed on 3 July 2017, have completed the Mandatory Accreditation Programme ("MAP") by Bursa Malaysia. During the financial year under review, all Directors have attended other relevant trainings and seminars organised by relevant regulatory and professional bodies so as to be apprised of latest developments and changes to regulatory requirements as well as the industry developments.

The Board identifies the training needs of each Director via the performance evaluation of the individual Directors. The continuous education programmes attended by the respective Directors during the financial year ended 30 April 2017 are as follows:

TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN

Date(s)	Details of Programme/Seminar	Organiser
25/8/2016	Business Symposium	MATRADE
1/12/2016	The Malay Leadership Mystique	MATRADE
27/3/2017	Malaysia-Saudi Business Forum with HRH King Salman	MATRADE

DATUK RICHARD FONG LOONG TUCK

Date(s)	Details of Programme/Seminar	Organiser
4/5/2016	Sabah Property Market Updates & Hotspots	FIABCI Malaysia
1/6/2016	Property Auction Trend In Malaysia	FIABCI Malaysia
3/8/2016	Transpacific Partnership Agreement (TPPA)	FIABCI Malaysia
7/9/2016	Crime Prevention Through Environmental Design (CPTED)	FIABCI Malaysia
5/10/2016	Transportation Plan Updates in Greater KL	FIABCI Malaysia
2/11/2016	Property Market Outlook 2016	FIABCI Malaysia
7/12/2016	Budget 2017	FIABCI Malaysia
4/1/2017	Feng Shui Outlook	FIABCI Malaysia
1/3/2017	Update on Hill Slope	FIABCI Malaysia
5/4/2017	Northern Region Property Market Updates	FIABCI Malaysia
3/5/2017	Sabah Property Market Updates	FIABCI Malaysia
5/7/2017	Investment in Residential Properties in London	FIABCI Malaysia

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

Date(s)	Details of Programme/Seminar	Organiser
18/5/2016	CEO Faculty Program by DS FD Iskandar "Best Kept Branding Secrets" [Speaker]	UiTM Shah Alam
19/5/2016	Dean's s Lecturer Series [Speaker]	UiTM Shah Alam
19/7/2016	Northgate Capital 2016	Telekom Malaysia
19/7/2016	Akamai Foster Forward: Grand Challenges Facing The Internet	Telekom Malaysia
3/8/2016	Roundtable Forum on Property Sector : Is There Light At The End Of The Tunnel For Consumers' [Speaker]	TA Securities
6/8/2016	Property Award 2016	FIABCI Malaysia
18/8/2016	CEO Series 2016 Conference: Forward Economic Outlook & Global Winning Real Estate Strategies in an Uncertain Market	REHDA Institute
8/9/2016 – 9/9/2016	19th National Housing & Property Summit 2016 – Revitalising The Housing & Property Industry – What Next for the Housing & Property Sector?	Asian Strategy & Leadership Institute (ASLI)
2/10/2016	Budget Commentary Forum 2017	REHDA Institute
20/10/2016	CEO Faculty Program by DS FD Iskandar "Tea & Experience Sharing Session" at Sri Pentas, Bandar Utama [Speaker]	UiTM Shah Alam
31/10/2016	12th Khazanah Global Lecture Delivered by Dame Dr Jane Goodall "Caring for the Earth: Reasons For Hope"	Khazanah Global Lecture

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

Date(s)	Details of Programme/Seminar	Organiser
2/11/2016	Budget 2017 : Impact on Affordable Homeownership & First Home Buyers – [Moderator]	REHDA Institute
1/12/2016	Property Outlook Forum 2017 [Panelist]	Property Guru
15/2/2017	CEO Roundtable 2017	REHDA Malaysia
22/2/2017	Internal Briefing for Audit Committee Members - Impact of Companies Act, 2016 on Glomac Berhad	Deloitte for Glomac Berhad
28/2/2017 – 1/3/2017	Mobile World Congress (MWC) 2017	MWC
3/3/2017	Explore Your Possibilities with TM	PEM/MARTRADE/ Telekom Malaysia
9/3/2017	The Companies Act, 2016	Media Prima Berhad
16/3/2017	CEO Faculty Program by DS FD Iskandar "Designing Curriculum Towards Industry Ready Graduates"	UiTM Shah Alam
19/4/2017	REHDA Media Briefing-Property Industry Survey H2 2016	REHDA Malaysia
19/4/2017	REHDA Property Forum 2017-Property Market 2017- Status Quo or Road to Recovery?	REHDA Malaysia

DATO' IKHWAN SALIM BIN DATO' HJ SUJAK

Date(s)	Details of Programme/Seminar	Organiser
19/10/2016	Financial Reporting	Boardroom Smart Business Solutions
22/2/2017	Internal Briefing for Audit Committee Members -Impact of Companies Act, 2016 on Glomac Berhad	Deloitte for Glomac Berhad
8/3/2017	The Companies Act, 2016	Mah Li Chen

DATUK ALI BIN TAN SRI ABDUL KADIR

Date(s)	Details of Programme/Seminar	Organiser
28/4/2016	AML Trading	Citibank Berhad
13/6/2016	Liquidity & Shariah Training	Citibank Berhad
16/8/2016	ICG Credit Risk Management Overview	Citibank Berhad
25/10/2016	Market Risk	Citibank Berhad
28/10/2016	The Labuan International Finance Lecture Series	Labuan Financial Services Authority (LFSA)
22/2/2017	Internal Briefing for Audit Committee Members -Impact of Companies Act, 2016 on Glomac Berhad	Deloitte for Glomac Berhad

YB DATUK SERI PANGLIMA HJ ABDUL AZEEZ BIN HJ ABDUL RAHIM

Date(s)	Details of Programme/Seminar	Organiser
11/5/2017	The Companies Act, 2016	Companies Commission of Malaysia

The Company Secretaries normally circulate the relevant statutory and regulatory requirements from time to time for the Board's reference and brief the Board on the updates, where applicable.

PRINCIPLE 5 – UPHOLD INTEGRITY IN FINANCIAL REPORTING

It is the Board's commitment to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of the Group's results to Bursa Malaysia, the annual financial statements of the Group and Company as well as the reports of the Board of Directors and the Group Managing Director/Chief Executive Officer's review of operations in the Annual Report.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended.

In assisting the Board to discharge its duties on financial reporting, the Board has established an Audit Committee, comprising of the three (3) Independent Non-Executive Directors, with Datuk Ali bin Tan Sri Abdul Kadir as the Audit Committee Chairman. The Audit Committee Chairman is a member of the Malaysian Institute of Accountants ("MIA") and possesses significant financial expertise and experience, making him well-placed to lead deliberations of the Audit Committee. In addition, the separation of the Audit Committee Chairman and the Chairman of the Board allows for greater objectivity in the review of the Audit Committee's findings and its recommendations to the Board.

The composition of the Audit Committee is set out in the Audit Committee Report on pages 55 to 56 of this Annual Report. One of the key responsibilities of the Audit Committee as encapsulated in its specific terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia and provisions of the Companies Act 2016. Such financial statements include the quarterly financial reports announced to Bursa Malaysia and the annual statutory financial statements. The terms or reference of the Audit Committee can be found on our website at www.glomac.com.my.

The Directors are satisfied that in preparing the financial statements of the Group and of the Company for the financial year ended 30 April 2017, the Group has used appropriate accounting policies and applied them consistently. The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, has formalised and adopted a Non-Audit Services Policy governing the types of non-audit services permitted to be provided by the External Auditor, which includes considerations of the following:

- whether the skills and experience of the External Auditor make it a suitable service provider of the non-audit service(s);
- safeguards to eliminate or reduce any threat to objectivity and independence to an acceptable level, taking into consideration the standards of the International Federation of Accountants ("IFAC") and By-Laws of the MIA; and
- the nature of non-audit services and the significance of the fee in relation to the audit fee.

In order to address the threats faced by the External Auditor, including self-review, familiarity and self-interest threats, the Non-Audit Services Policy provides for safeguards which may be considered, including having an engagement team that is distinct from the external audit team to provide the non-audit services. The details of the fees paid/payable for audit and non-audit services rendered by the External Auditor during the financial year ended 30 April 2017 are as follows:

Fees paid/ payable	**Group (RM)**	**Company (RM)**
Audit	495,400	84,000
Non-audit	124,900	6,000

The Audit Committee obtains written assurance from the External Auditor, confirming that the external audit team and firm are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the MIA. Such written assurance was provided by the External Auditor for the audit engagement performed for the financial year ended 30 April 2017. The Board, upon the recommendation of the Audit Committee and assessment of the External Auditor, Messrs. Deloitte PLT ("the Firm"), with regards to its independence and suitability, approved the re-appointment of the Firm subject to the approval by shareholders at the forthcoming AGM. With the re-appointment, the Firm would be serving as Glomac's External Auditor for the 13th consecutive financial year. Nevertheless, throughout the said tenure, Glomac has worked with three different audit engagement teams, the Firm and Partners. The rotation of the Firm and team members allows the quality of the audit to be preserved through the external auditor's independence, objectivity and professional scepticism.

PRINCIPLE 6 – RECOGNISING AND MANAGING RISKS

The Board regards risk management and internal controls as an integral part of the overall management processes. The following represent the key elements of the Group's risk management and internal control structure:

(i) an organisational structure in the Group with formally defined lines of responsibility and delegation of authority;
(ii) review and approval of annual business plan and budget of all major business units by the Board. This plan sets out the key business objectives of the respective business units, the major risks and opportunities in the operations and ensuing action plans;

(iii) quarterly review of the Group's business performance by the Board, which also covers the assessment of the impact of changes in business and competitive environment;
(iv) active participation and involvement by the Group Managing Director/Chief Executive Officer in the day-to-day running of the major businesses and regular discussions with the senior management of smaller business units on operational issues; and
(v) monthly financial reporting by subsidiaries to the Company.

Recognising the importance of having risk management processes and practices, the Board has established a Management-level Risk Management Committee ("RMC"), which is chaired by the Group Managing Director/Chief Executive Officer, to oversee the identification, evaluation, control, monitoring and reporting of critical risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks vis-à-vis the risk appetite of the Group. Meetings of the RMC are observed by a representative from the Audit Committee, who then briefs the Audit Committee on the outcome of risk assessment and the attendant recommendations.

In line with the Listing Requirements and the MCCG 2012, the Board has established an internal audit function, which reports directly to the Audit Committee on the adequacy and effectiveness of the system of internal controls from the perspective of governance, risk and controls. The internal audit function of the Group is outsourced to an independent professional firm, KPMG Management & Risk Consulting Sdn. Bhd., whose scope of work covered during the financial year under review is provided in the Audit Committee Report as set out on pages 55 to 56 of this Annual Report. The internal audit function reports directly to the Audit Committee and has direct and unrestricted access to information, records, physical properties, and personnel that enables it to effectively carry out its role. All internal audit work carried out is guided by the International Professional Practices Framework promulgated by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors.

PRINCIPLE 7 – ENSURING TIMELY AND HIGH QUALITY DISCLOSURE

Glomac aims to maintain a high standard for dissemination of relevant material and information of the Group. The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulatory authorities, shareholders and stakeholders. Accordingly, as of the date of this Statement, the Board has formalised pertinent corporate disclosure policies and procedures to govern its corporate disclosure practices. Information that is price sensitive or may be regarded as undisclosed material information about the Group is not disclosed to any party until it is already in the public domain through proper disclosure. Announcements of quarterly financial results, circulars and various announcements are made via Bursa LINK in full compliance with regulatory authorities' disclosure requirements. Prior to its release, key announcements intended for Bursa Malaysia are subject to the review and approval by the Board.

The Company's corporate website at www.glomac.com.my serves as a key communication channel for shareholders, investors, members of the public and other stakeholders to obtain up-to-date information on the Group's activities, financial results, major strategic developments and other matters affecting stakeholders' interests.

Anchored on the need to augment the process of disclosure, the Board has designated dedicated sections for investor relation and corporate governance on the Company's website, whereby information on the Company's announcements to the regulatory authorities, the Board Charter and the Company's Annual Report may be accessed.

PRINCIPLE 8 – STRENGTHENING RELATIONSHIP BETWEEN THE COMPANY AND ITS SHAREHOLDERS

The Board maintains an open channel of communication with its shareholders, institutional investors and the investing public at large with the objective of providing a clear, balanced and complete picture of the Group's performance and position. The Company values feedback and dialogues with its shareholders and believes that a constructive and effective investor relationship is an essential factor in enhancing value for its shareholders.

The timely release of annual reports, circulars to shareholders, various announcements, press releases and financial results on a quarterly basis provide shareholders and investors with an overview of the Group's performance and operations. The shareholder communication channels of Glomac includes the following:

- **Annual General Meeting ("AGM")**

  The AGM of the Company serves as the principal forum that provides opportunities for shareholders to raise questions pertaining to issues in the Annual Report, Audited Financial Statements, corporate developments in the Group, the resolutions being proposed and concerns over the Group's businesses. The Chairman as well as the Group Managing Director/Chief Executive Officer and the external auditors, if so required, respond to shareholders' questions during the AGM.

  The Notice of AGM is circulated to shareholders at least twenty-one (21) days before the date of the meeting to enable them to go through the Annual Report and papers supporting the resolutions proposed. All the resolutions set out in the Notice of the last AGM were put to vote by poll in accordance with Paragraph 8.29A of the Listing Requirements. Independent scrutineers from Sharepolls Sdn. Bhd. were appointed to verify the poll results and the outcome of the AGM was announced to Bursa Malaysia on the same day. In line with the enhancement of the Listing Requirements in 2016, a summary of the key matters discussed at the said AGM is published on the Company's website.

  In addition, a press conference is generally held after such AGM whereby the Directors explain and clarify any issues posed by members of the media regarding the Company, save for such information that may be regarded as price sensitive in nature. The disclosures are made in strict adherence to the disclosure requirements as prescribed under the Listing Requirements and other various contractual or statutory provisions that the Group is subjected to.

  The Group Executive Chairman, at the commencement of AGM, informs shareholders of their rights in accordance with the Company's Constitution.

- **Analyst results briefings**

  The Company holds analyst results briefings biannually; immediately after the announcements of relevant quarterly results to Bursa Malaysia. The Company also actively responds to requests for discussions with institutional shareholders and analysts to provide them better insights of the Group. The Board also takes a proactive approach in reaching out to the investing community via visits to project sites, small group meetings, luncheons, participating in roadshows and investor conferences and such activities are usually spearheaded by the Executive Directors.

  Such approaches allow shareholders and the investment communities to make more informed investment decisions that are based not only on past performance but also the future direction of the Company.

- **Corporate website**

  Glomac's corporate website (www.glomac.com.my) provides quick access to information about the Group. The information on the Glomac's corporate website includes corporate profile, corporate structure, Board of Directors' profiles, awards and achievements, press releases, corporate news, rights of shareholders, financial results, announcements to Bursa Malaysia, and share and dividend information.

  Investors may register for alerts on Investor Relations from Glomac through the website which enable them to receive e-mails whenever there is a new corporate information posted on the website.

- **Annual Report**

  The Annual Report provides a comprehensive report on the Group's operations and financial performance. The Annual Reports are printed in summary form together with a digital version of the Annual Report in CD-ROM format. An online version of the Annual Report is also available on Glomac's corporate website.

This Statement is approved and issued by the Board of Glomac at the board meeting held on 2 August 2017.

COMPLIANCE STATEMENT

1. Utilisation of Profit

There were no corporate proposals to raise funds during the financial year ended 30 April 2017.

2. Audit/Non Audit Fees

The detail of particulars in relation to the audit and non-audit services rendered to the listed issuer or its subsidiaries for the financial year ended 30 April 2017 can be referred to the Corporate Governance Statement on page 46 of this Annual Report.

3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and Major Shareholders' interests either subsisting at the end of the financial year ended 30 April 2017 or entered into since the end of the previous financial year.

4. Employees' Share Scheme ("ESS")

The Company's ESS comprises two schemes ie. Employees' Share Option Scheme ("ESOS") and Performance-based Restricted Share Grant ("RSG"). The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date. The percentage of maximum allocation of RSG and ESOS to the eligible employees including Directors and Senior Management are 4.00% and 4.00%, respectively.

During the financial year, the Company granted (net) additional 3,693,000 of RSG shares to its eligible employees. However, no ESOS options were granted to the employees of the Group during the financial year. As at 30 April 2017, the total RSG and ESOS outstanding are 7,991,000 and 20,354,000, respectively.

During the financial year, the actual percentage granted to the Directors and Senior Management in terms of RSG and ESOS are as follows:-

i) <u>ESOS</u>

Directors	Nil
Senior Management	Nil

ii) <u>RSG</u>

Directors	0.21%
Senior Management	0.29%

Since the commencement of the ESS, the actual percentage granted to the Directors and Senior Management in terms of RSG and ESOS are as follows:

i) <u>ESOS</u>

Directors	0.60%
Senior Management	1.37%

ii) <u>RSG</u>

Directors	1.00%
Senior Management	1.37%

The Company does not offer the schemes to its Non-Executive Directors.

Further details on the options granted to the Directors and Chief Executive pursuant to the ESS in respect of the financial year ended 30 April 2017 are set out on page 61 to 62 of this Annual Report.

5. Recurrent Related Party Transactions

At the Annual General Meeting held on 21 September 2016, the Company had obtained a general mandate from the shareholders to renew the Group's authority to enter into recurrent related party transactions of a revenue or trading nature.

The details of recurrent related party transactions conducted during the financial year ended 30 April 2017 pursuant to the shareholders' mandate are disclosed as follows:

Company/ Group	Nature of transaction	Transacting party	Related parties	Amount transacted during the financial year (RM)
Our Group	Award of contracts and/or projects for construction works	Glomac Bina Sdn Bhd [A]	– Tan Sri Dato' Mohamed Mansor bin Fateh Din – Interested Directors and Interested Major Shareholders [C]	89,146,896.88
Our Group	Sale of properties by our Group in the ordinary course of business	Directors and Major Shareholders of Glomac and its subsidiaries and Persons Connected to them	Directors and Major Shareholders of Glomac and its subsidiaries and Persons Connected to them	3,663,224.53
Our Group	Provision of project management services	FDA Sdn Bhd [B]	– Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor – Interested Directors and Interested Major Shareholders [C]	334.67

[A] *Glomac Bina Sdn Bhd is a 51% subsidiary company of Glomac wherein Tan Sri Dato' Mohamed Mansor bin Fateh Din has a direct interest of 1,092,000 shares.*

[B] *FDA Sdn Bhd is a 70% subsidiary company of Glomac wherein Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor has a direct interest of 75,000 shares.*

[C] *Interested Directors and/or Interested Major Shareholders are Tan Sri Dato' Mohamed Mansor bin Fateh Din, Datuk Richard Fong Loong Tuck and Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor, collectively. They are interested via 1,428,000 and 175,000 shares in Glomac Bina Sdn Bhd and FDA Sdn Bhd, respectively.*

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the "Board") of Glomac Berhad is fully committed to maintain a sound system of risk management and internal control in the Group (comprising of the Company and its subsidiaries) and is pleased to provide the following Statement on Risk Management and Internal Control (the "Statement"), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 30 April 2017.

For the purpose of disclosure, the Board has taken into consideration the enumerations encapsulated in the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (the "Guidelines"), a publication endorsed by Bursa Malaysia Securities Berhad pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements. This Statement however does not cover joint ventures whereby risk management and internal controls are overseen by the respective governing bodies.

Board's Responsibility

The Board recognises the importance of maintaining a sound system of internal control and the proper identification and management of risks affecting the Group's operations in order to safeguard shareholders' investments. Accordingly, the Board affirms its overall responsibility for the Group's system of risk management and internal control, and for reviewing the adequacy and operating effectiveness of the said system. The system covers not only financial but also operational and compliance risks and the relevant controls designed to manage the said risks. Given that there are inherent limitations in any system of risk management and internal control, the said system is designed to manage risks within tolerable and knowledgeable limits, rather than eliminate the risk of failure to achieve business objectives of the Group. The system can, therefore, only provide reasonable, but not absolute assurance, against material misstatements, financial losses or fraud.

In evaluating the adequacy of the Group's system of risk management and internal control, the Board is assisted by the Audit Committee which comprises exclusively of Independent Non-Executive Directors. Notwithstanding the delegated responsibilities, the Board acknowledges its overall responsibility in the establishment and oversight of the Group's risk management and internal control system.

Risk Management Framework

The Board firmly believes that risk management is critical to the Group's continued profitability and the accretion of value creation. Accordingly, the Board has formalised a systematic Enterprise Risk Management ("ERM") Framework for the Group to underscore the importance of balancing between risk and reward in business decision making. The Framework primarily comprises of the following:

- identification of risks or particular circumstances relevant to the Group's objectives;
- assessment and analyses of the causes, likelihood, impact and consequences of the risks;
- evaluation of the adequacy and effectiveness of existing controls;
- determination of response strategies or additional control measures in line with the policies and guidelines adopted by the Board; and
- reporting and monitoring of risks across the Group.

Diagram 1: Risk management framework

As part of operationalising the framework, a Management-level Committee, namely, Risk Management Committee ("RMC"), chaired by the Group Managing Director/Chief Executive Officer has been established. An Independent Non-Executive Director, Dato' Ikhwan Salim bin Dato' Hj Sujak participates in the meetings of the RMC by invitation. The RMC is tasked to oversee the following:

- communicate the Board's vision, strategy, policy, responsibilities and reporting lines to personnel across the Group with the aim of engendering a healthy risk culture;
- identify and communicate to the Audit Committee and Board, critical risks that the Group faces, their changes and Management's action plans to manage the risks;
- perform risk oversight activities and review the risk profile of the Group;
- aggregate the Group's risk position and perform half-yearly reporting to the Board on the risk situation and status;
- establish performance measures for the Group; and
- provide guidance to the business divisions on the Group's risk appetite and capacity, and other criteria which, when exceeded, trigger an obligation to report upwards to the Audit Committee and Board.

The RMC met periodically during the financial year under review to assess and evaluate risks that may impede the Group from achieving its strategic and operational objectives, as well as develop action plans to mitigate such risks. Risk identified from macro (external) and internal factors can be generally classified into the following distinct categories:

i) Market risk;
ii) Business risk;
iii) Liquidity risk;
iv) Credit risk;
v) Compliance risk;
vi) Human capital risk;
vii) Reputational risk; and
viii) Information technology risk.

During the financial year under review, the results of risk updates were deliberated at the RMC meetings. The internal controls identified to address the said key risks were used as the bases to develop a risk-based internal audit plan for the financial year ended 30 April 2017, which was approved by the Audit Committee.

This risk management framework has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

Internal Control Framework

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

(a) Integrity and ethical values

The Board of Glomac believes that an ethical corporate culture begins from the top whereby the control environment sets the tone for the Group by providing fundamental structures.

- Code of Ethics and Conduct

  The Board sets the tone at the top for corporate behaviour and corporate governance. All employees of the Group are called upon to adhere to the Code of Ethics and Conduct of the Group which sets out the principles and standards in guiding them to observe high standards of personal and corporate integrity in their dealings with internal and external stakeholders.

- Whistle Blowing Policy and Procedures

  The Board has formalised a set of Whistle Blowing Policy and Procedures to provide avenues for stakeholders of the Group to raise legitimate concerns relating to potential breaches of business conduct, non-compliance with legal and regulatory requirements as well as other malpractices. The Whistle Blowing Policy and Procedures also set out protection mechanisms accorded to bona fide whistleblowers.

(b) Limits of authority and responsibility

Clearly defined and documented lines and limits of authority, responsibility and accountability have been established through the relevant terms of references, organisational structures and appropriate authority limits, including matters requiring the Board's approval. The corporate structure further enhances the ability of each subsidiary or division, as the case may be, to focus on its assigned core or support functions within the Group. In designing and implementing these policies, structures and systems, the Group is guided by the principle that no one individual should have unfettered powers.

(c) Planning, monitoring and reporting

The following internal control processes have been deployed by the Group:

- Strategic Business Planning Processes

  Appropriate business plans are established in which the Group's business objectives, strategies and targets are articulated. Business planning and budgeting are undertaken annually to establish plans and targets against whereby performance is monitored on an ongoing basis;

- ISO 9001:2015 Accreditation

  The Construction Division of the Group has been accorded full ISO 9001:2015 accreditation in line with the Group's quest to consistently improve the strength of its internal control system;

- Documented Policies and Procedures

  Internal policies and procedures, which are set out in a series of clearly documented standard operating manuals covering a majority of areas within the Group, are maintained and reviewed as considered necessary;

- Performance Monitoring and Reporting

  The Group's management team monitors and reviews financial and operational results, including monitoring and reporting of performance against the operating plans. The management team formulates and communicates action plans to address areas of concern;

- Financial Performance Review

  The preparation of periodic and annual results and the state of affairs of the Group are reviewed and approved by the Board before a release of the same to the regulators whilst the full year financial statements are audited by the External Auditors before their issuance to regulators and stakeholders;

- Quality Control

  The Group takes continuous efforts in maintaining the quality of its products and services. Accordingly, the Group has processes to enable timely adherence to safety and health regulations, environmental requirements and relevant legislations affecting the Group's operations; and

- Safeguarding of Assets

  Sufficient insurance coverage is in place to enable major assets to be adequately covered against calamities and/or theft that may result in material losses to the Group. The insurance coverage is reviewed at regular intervals to ensure its adequacy vis-à-vis the Group's risk appetite. At that same time, these major assets are safeguarded via physical security measures.

This internal control framework has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

Internal Audit Function

The Group outsourced its internal audit function to an independent professional firm, KPMG Management and Risk Consulting Sdn. Bhd. to assess the adequacy and integrity of the Group's risk management and internal control systems. The internal audit function reports directly, and provides assurance, to the Audit Committee through the execution of internal audit work based on a risk-based internal audit plan approved by the Audit Committee before commencement of work. Its scope of work includes periodic assessment of the risk management process and internal controls deployed by Management to address risks inherent in the Group's operational, financial and compliance processes. In carrying out its activities, the internal audit function has unrestricted access to the relevant records, personnel and physical properties.

For the financial year ended 30 April 2017, the internal audit function assessed the adequacy and operating effectiveness of internal controls deployed by Management for the Group's key processes, covering the following principal business risks:

Business process	Business risks
Sales administration	• delay in collection from property purchases • credit risk
Project management	• project cost overrun • non-performing consultants/contractors
Customer service	• delay in addressing purchaser complaints

Following the completion of its work, the internal audit function reported directly to the Audit Committee on improvement measures pertaining to internal controls, including a follow-up on the status of Management's implementation of recommendations raised in previous reports. Formal internal audit reports were submitted to the Audit Committee, who reviews the observations with Management, including Management's action plans (covering responsive rate on internal audit reports of previous cycle's recommendations) to address the concerns raised by the internal audit function. In addition, the External Auditors' Management Letters and Management's responsiveness to the control recommendations on deficiencies noted during financial audits provides added assurance that control procedures on matters of finance and financial reporting were in place, and were being followed.

In addressing the adequacy and operating effectiveness of the system of internal control and accounting control procedures of the Group, the Audit Committee reports to the Board its activities, significant results, findings and the necessary recommendations or changes.

The total cost incurred for internal audit activities for the financial year ended 30 April 2017 amounted to RM75,000, excluding ancillary expenses.

Adequacy and Effectiveness of the Group's Risk Management and Internal Control System

The Board has received assurance from the Group Managing Director/Chief Executive Officer and the Chief Operating Officer, who also heads the Finance function, that the Group's risk management and internal control systems is operating adequately and effectively, in all material aspects, for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

Review of Statement by External Auditors

In accordance to Paragraph 15.23 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the External Auditors have reviewed this Statement for inclusion in the 2017 Annual Report. The External Auditors reported that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report of the Company was not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines, nor was it factually inaccurate.

Conclusion

The Board is of the view that there has been no material breakdowns or weaknesses in the system of risk management and internal control of the Group for the financial year ended 30 April 2017 that resulted in a significant loss to the Group. The Board will continue to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's business objectives.

The Audit Committee with delegated oversight responsibilities assists the Board in ensuring that the paramount interest of the shareholders and other stakeholders of the Group are well protected.

(A) Members

The Audit Committee of the Company consist of three (3) members, all of whom are Independent Non-Executive Directors. For the financial year ended 30 April 2017, the Audit Committee comprised the following:-

- Datuk Ali bin Tan Sri Abdul Kadir (Chairman/Independent Non-Executive Director)
- Dato' Ikhwan Salim bin Dato' Hj Sujak (Member/Senior Independent Non-Executive Director)
- General Tan Sri Abdul Aziz bin Zainal (R) (Member/Independent Non-Executive Director) [Retired on 28 February 2017]

Recently, on the 3 July 2017, the Board has appointed Ms Shan Choo (Independent Non-Executive Director) to be the third member of the Audit Committee in compliance with Para 15 of the Listing Requirements.

(B) Meetings

During the financial year ended 30 April 2017, the Committee held five (5) meetings. The details of the attendance of each Committee member are as follows:

Name of Audit Committee Member	Total meetings attended
Datuk Ali bin Tan Sri Abdul Kadir	5/5
Dato' Ikhwan Salim bin Dato' Hj Sujak	5/5
General Tan Sri Abdul Aziz bin Zainal (R) (Retired on 28 February 2017)	3/3
Ms Shan Choo (Appointed on 3 July 2017)	-

(C) Summary of Work of the Audit Committee and how it has met its responsibilities

During the financial year ended 30 April 2017, the Committee had worked closely with the external auditors, Internal Auditors and management to monitor, oversee, review and evaluate the effectiveness and adequacy of the Group's risk management and internal control, financial management and reporting.

The Committee had in the discharge of its duties, carried out the following:

- Reviewed with the External Auditors on:
  - the scope of work and audit plan of the Company and of the Group for the financial year ended 30 April 2017; and
  - significant issues and concerns arising from the audit.
- Reviewed the audited financial statements for financial year ended 30 April 2017.
- Reviewed the unaudited quarterly financial results announcements of the Group prior to the Board of Directors' approval with particular focus on:
  - compliance with financial reporting standards in Malaysia and provisions of the Companies Act, 2016; and
  - the Group's accounting policies and practices.
- Reviewed the Recurrent Related Party Transactions of a revenue or trading nature ("RRPT") entered into by the Company and the Group quarterly.
- Reviewed the draft proposal to seek shareholders' mandate for the Company and the Group to enter into RRPT.
- Apprised on the impact of the Companies Act, 2016 on the Group by the External Auditors.

- Obtained feedback from the External Auditors regarding problems and reservations arising from their interim and final audits.

- Reviewed with the internal auditors on:

  - the scope of work and audit plan of the Company and of the Group for the financial year ended 30 April 2017;
  - significant issues and concerns arising from the audit; and
  - accessing the internal auditor's findings and the management's responses thereto and thereafter, making the necessary recommendations or changes to the Board of Directors.

- Assessed and be satisfied with the written independent assurance given by the External Auditors.

- Considered and recommended to the Board for approval of the audit fees payable to the internal and external auditors.

- Attended and observed the Risk Management Committee meeting.

- Reviewed the Risk Management report on the risk profile of the Group and the adequacy and integrity of internal control systems to manage these risks.

- Reviewed and recommended the Statement on Risk Management and Internal Control for disclosure in the Company's annual report for the Board approval.

(D) Summary of the work of Internal Auditors

The Internal Audit ("IA") function is considered an integral part of the assurance framework within the Group. IA function plays an intermediary role in that it assists in the discharge of the oversight function which is delegated by the Board to the Audit Committee. It serves as a means of obtaining sufficient assurance of regular review and/or appraisal of the adequacy and effectiveness of the system of internal controls from the perspective of governance, risks and control.

The Group outsources its IA function to KPMG Management & Risk Consulting Sdn Bhd ("KPMG"), which has adequate resources and appropriate standing to undertake its work independently and objectively to provide reasonable assurance to the Audit Committee regarding the adequacy and effectiveness of risk management, internal control and governance systems. KPMG reports directly to the Audit Committee.

The summary of the works undertaken by the internal auditors during the period under review may be referred to the Statement on Risk Management & Internal Control on page 51 to 54 of the Annual Report.

This Report is made in accordance with a resolution passed at the meeting of Audit Committee held on 2 August 2017.

FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS

The directors of GLOMAC BERHAD have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development and investment holding.

The principal activities of the subsidiary and associated companies are disclosed in Note 42 to the Financial Statements.

RESULT OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Profit before tax	169,744,370	110,177,340
Income tax expense	(60,535,115)	(4,030,613)
Profit for the year	109,209,255	106,146,727
Profit attributable to:		
Owners of the Company	108,193,469	106,146,727
Non-controlling interests	1,015,786	-
	109,209,255	106,146,727

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for the government grant income of RM26,280,471 and provision for release of bumiputera quota of RM17,796,007 as disclosed in Note 9(a) to the Financial Statements.

DIVIDENDS

The amounts of dividends paid or declared by the Company since the end of the previous financial year were as follows:

	RM
In respect of the financial year ended 30 April 2016 as reported in the directors' report of that year:	
Final single tier dividend of RM0.02 per share on 719,386,813 ordinary shares, paid on 8 December 2016	14,387,736
In respect of the financial year ended 30 April 2017:	
First interim single tier dividend of RM0.015 per share on 722,669,313 ordinary shares, paid on 15 May 2017	10,840,040

DIVIDENDS (Cont'd)

The directors propose a final single tier dividend of RM0.015 per share on 722,669,313 ordinary shares, totalling approximately RM10,840,040 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2018.

The proposed dividend for 2017 is payable in respect of all outstanding ordinary shares in issue at a date to be determined by the directors subsequent to the approval of the shareholders at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

SHARE OPTIONS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and Performance-based Restricted Share Grant ("RSG").

The salient features of the ESS are disclosed in Note 38 to the Financial Statements.

Movements in the Company's ESOS during the financial year are as follows:

	Number of options to subscribe for ordinary shares					
Date of grant	**Balance at 1.5.2016**	**Granted**	**Exercised**	**Cancelled**	**Balance at 30.4.2017**	**Exercise price per share (RM)**
2.5.2014	9,509,000	-	-	(898,000)	8,611,000	1.00
2.1.2015	5,142,000	-	-	(611,000)	4,531,000	0.91
4.1.2016	7,919,000	-	-	(707,000)	7,212,000	0.79

Movements in the Company's RSG during the financial year are as follows:

	Number of grants in respect of ordinary shares				
Date of grant	**Balance at 1.5.2016**	**Granted**	**Exercised**	**Cancelled**	**Balance at 30.4.2017**
2.1.2015	4,086,000	-	(3,683,000)	(403,000)	-
4.1.2016	4,397,000	-	-	(99,000)	4,298,000
3.1.2017	-	3,693,000	-	-	3,693,000

TREASURY SHARES

During the financial year, the Company purchased 1,017,500 units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM763,082 and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.75 per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act, 2016.

As at 30 April 2017, the Company held a total of 4,848,000 ordinary shares as treasury shares out of its issued and paid-up share capital of 727,821,313 ordinary shares. Such treasury shares are held at carrying amount of RM4,272,596. Further details are disclosed in Note 29 to the Financial Statements.

RESTRICTED SHARES GRANT RESERVE

As of 30 April 2017, the Company has repurchased a total of 10,612,000 of its issued ordinary shares from the open market at an average price of RM1.00 per share. These shares are being held in trust by the Company and recorded as restricted shares grant ("RSG") reserve for the purpose of granting restricted shares to eligible employees in future. The first and second tranches of RSG under ESS scheme totalling 10,308,000 shares have been vested and awarded to a selected group of eligible employees as of 30 April 2017. The balance shares held in trust by the Company as at 30 April 2017 is 304,000 shares at an average price of RM0.78 per share. Further details are disclosed in Note 38 to the Financial Statements.

OTHER STATUTORY INFORMATION

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

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

(b) 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.

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

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

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

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

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

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

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

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

OTHER STATUTORY INFORMATION (Cont'd)

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, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, 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 operations of the Group and of the Company for the financial year in which this report is made other than those disclosed in Note 43 to the Financial Statements.

DIRECTORS

The directors of the Company during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Dato' Mohamed Mansor bin Fateh Din

Datuk Fong Loong Tuck

Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor

Dato' Ikhwan Salim bin Dato' Hj Sujak

Datuk Ali bin Tan Sri Abdul Kadir

YB Datuk Seri Panglima Hj Abdul Azeez Bin Hj Abdul Rahim

General Tan Sri Abdul Aziz Bin Zainal (R) (Retired on 28 February 2017)

Datuk Seri Johan Bin Abdullah (Appointed on 1 June 2017, Alternate director to YB Datuk Seri Panglima Hj Abdul Azeez Bin Hj Abdul Rahim)

Ms. Choo Shan (Appointed on 3 July 2017)

DIRECTORS' INTERESTS

The shareholdings in the Company and in related companies of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

Shares in the Company:

	Number of ordinary shares			
	Balance as of 1.5.2016	**Granted**	**Sold**	**Balance as of 30.4.2017**
Registered in the name of directors				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	145,795,198	472,000	-	146,267,198
Datuk Fong Loong Tuck	117,651,096	472,000	-	118,123,096
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	115,401,600	609,000	-	116,010,600
Dato' Ikhwan Salim bin Dato' Hj Sujak	20,800	-	-	20,800
Datuk Ali bin Tan Sri Abdul Kadir	1,830,000	-	-	1,830,000

DIRECTORS' INTERESTS (Cont'd)

Options pursuant to the ESOS of the Company:

	Number of options over ordinary shares			
	Balance as of 1.5.2016	**Granted**	**Exercised**	**Balance as of 30.4.2017**
Registered in the name of directors				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	1,333,000	-	-	1,333,000
Datuk Fong Loong Tuck	1,333,000	-	-	1,333,000
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	1,719,000	-	-	1,719,000

Shares grant pursuant to the RSG of the Company:

	Number of grants in respect of ordinary shares			
	Balance as of 1.5.2016	**Granted**	**Vested**	**Balance as of 30.4.2017**
Registered in the name of directors				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	944,000	472,000	(472,000)	944,000
Datuk Fong Loong Tuck	944,000	472,000	(472,000)	944,000
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	1,218,000	609,000	(609,000)	1,218,000

By virtue of all the above directors having interest in shares of the Company, they are deemed to have an interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest.

Shares in the subsidiary companies:

	Number of ordinary shares			
	Balance as of 1.5.2016	**Bought**	**Sold**	**Balance as of 30.4.2017**
Shares in Glomac Bina Sdn. Bhd.				
Registered in the name of director				
Tan Sri Dato' Mohamed Mansor bin Fateh Din	1,092,000	-	-	1,092,000
Shares in FDA Sdn. Bhd.				
Registered in the name of director				
Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	75,000	-	-	75,000

None of the other directors in office at the end of the financial year held shares or had any beneficial interest in the shares of the Company or its related companies during and at the end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than those disclosed as directors' remuneration in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than any benefit which may be deemed to have arisen by virtue of the transactions as disclosed in Note 37 to the Financial Statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate except for the options and shares granted to certain directors pursuant to the Company's Employees' Share Scheme as disclosed under "Directors' Interests".

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains directors' liability insurance for purposes of Section 289 of the Companies Act, 2016 throughout the year, which provides appropriate insurance cover for the directors of the Company. The amount of insurance premium paid during the year amounted to RM19,090.

AUDITORS

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

AUDITORS' REMUNERATION

The amount paid as remuneration of the auditors for the financial year ended 30 April 2017 is as disclosed in Note 9(a) to the Financial Statements.

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

TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

Kuala Lumpur
16 August 2017

INDEPENDENT
AUDITORS' REPORT

TO THE MEMBERS OF GLOMAC BERHAD
(Incorporated in Malaysia)

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of GLOMAC BERHAD, which comprise the statements of financial position as of 30 April 2017 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 68 to 138.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as of 30 April 2017, and of their financial performance and their cash flows for the year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue of property development activities recognised on percentage of completion method

<u>Key audit matter</u>

The Group recognises revenue from its property development activities using the percentage of completion method. Estimated losses are recognised in full when determined. Property development projects and expense estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

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

<u>Our audit response</u>

We obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development activities and performed procedures to evaluate the design and implementation and operating effectiveness of such controls.

We evaluated the percentage of completion used by management in revenue recognition, determined on a costs-to-costs basis, by independently recomputing the said percentage of completion. We also performed site-visits for individually significant ongoing projects to arrive at an overall assessment as to whether information provided by management was reasonable.

Revenue of property development activities recognised on percentage of completion method (Cont'd)

<u>Our audit response</u> (Cont'd)

We assessed the reasonableness of management-prepared budgets for property development projects against letters of award issued to contractors, challenged management assumptions used in the preparation of the respective budgets and performed retrospective review to establish the reliability of management-prepared budgets. We verified gross development value therein against signed sale and purchase agreements and estimated selling price of unsold development to the latest transacted selling price.

We considered the stage of completion of individually significant ongoing development projects to the expected handover date to determine the adequacy of any provision for liquidated ascertained damages.

We checked the mathematical accuracy of the revenue and profit based on percentage of completion calculations and considered the implications of any changes in estimates.

Fair value of investment properties

<u>Key audit matter</u>

As of 30 April 2017, investment properties of the Group consisted mainly of a retail mall with a fair value of RM318 million. The Group determines the fair value of this investment property of RM318 million based on valuation carried out by an independent firm of professional valuers. Fair value information, valuation techniques applied and significant unobservable inputs relating to the valuation of this investment property are disclosed in Note 15 to the Financial Statements.

<u>Our audit response</u>

We assessed the appropriateness of the independent valuer's scope of work, evaluated the independence and qualification of the independent valuer.

We held a meeting with the independent valuer to develop an understanding of the methodologies used in performing the valuation, considered the appropriateness of the valuation techniques and challenged the basis and assumptions used. We obtained and verified the source information provided by management to the said independent valuer.

We also assessed the adequacy and appropriateness of the disclosures relating to the valuation methodologies in the financial statements.

Net realisable value of completed property units

<u>Key audit matter</u>

As of 30 April 2017, the carrying amount of the Group's completed property units, which are stated at the lower of cost and net realisable value, amounted to RM143,725,670 and represented 19% of the Group's total current assets. The Group determines the net realisable value of these inventories based on historical trends and management estimates of future products demand and related pricing.

<u>Our audit response</u>

We compared management's assessment of net realisable value by reference to recent transacted prices of comparable completed property units, taking into consideration the estimated selling costs.

We also physically sighted individual significant completed property units, focusing on long-aged property units, to ascertain if any write-down was warranted due to physical obsolescence and deterioration of the units.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises 5-Year Financial Highlights, Group Managing Director/Chief Executive Officer's Review of Operations, Management Discussion and Analysis and Report of the Directors, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 42 to the Financial Statements.

The supplementary information set out in page 138 to the Financial Statements 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 Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

LAI CAN YIEW
Partner - 02179/11/2018 J
Chartered Accountant

16 August 2017

STATEMENTS OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2017

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
Revenue	5	584,081,058	616,603,454	108,361,466	175,015,969
Cost of sales	6	(348,581,596)	(404,957,586)	-	-
Gross profit		235,499,462	211,645,868	108,361,466	175,015,969
Investment income	7	9,309,558	7,535,160	23,764,789	19,660,484
Government grant income		26,280,471	-	-	-
Other operating income		3,777,821	22,271,621	975,907	1,175,883
Share of profit of associated companies	18	1,824,541	2,988,518	-	-
Marketing expenses		(17,460,045)	(22,331,708)	-	-
Administration expenses		(41,784,650)	(36,515,899)	(6,886,669)	(9,290,973)
Other operating expenses		(27,459,283)	(43,830,474)	-	-
Finance costs	8	(20,243,505)	(19,356,290)	(16,038,153)	(13,210,020)
Profit before tax	9	169,744,370	122,406,796	110,177,340	173,351,343
Income tax expense	10	(60,535,115)	(36,747,293)	(4,030,613)	(1,957,517)
Profit for the year		109,209,255	85,659,503	106,146,727	171,393,826
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		130,036	890,203	-	-
Total comprehensive income for the year		109,339,291	86,549,706	106,146,727	171,393,826
Profit attributable to:					
Owners of the Company		108,193,469	80,924,591	106,146,727	171,393,826
Non-controlling interests		1,015,786	4,734,912	-	-
		109,209,255	85,659,503	106,146,727	171,393,826
Total comprehensive income attributable to:					
Owners of the Company		108,323,505	81,814,794	106,146,727	171,393,826
Non-controlling interests		1,015,786	4,734,912	-	-
		109,339,291	86,549,706	106,146,727	171,393,826
Earnings per share (sen)	11				
Basic		15.01	11.27		
Diluted		15.01	11.27		

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

STATEMENTS OF
FINANCIAL POSITION
AS OF 30 APRIL 2017

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	13	51,002,034	53,377,681	738,664	1,065,591
Prepaid lease payments on leasehold land	14	56,632	60,677	-	-
Investment properties	15	349,184,378	339,403,978	-	-
Land held for property development	16	740,029,247	568,599,876	-	-
Subsidiary companies	17	-	-	541,463,066	541,063,066
Associated companies	18	33,762,253	31,937,712	-	-
Other investments	19	4,000,000	4,000,000	-	-
Goodwill on consolidation	20	395,165	395,165	-	-
Deferred tax assets	21	24,042,189	55,805,077	4,181,708	4,797,108
Total Non-current Assets		1,202,471,898	1,053,580,166	546,383,438	546,925,765
Current Assets					
Inventories	22	143,725,670	156,255,416	1,295,942	1,295,942
Property development costs	23	35,115,968	155,180,246	-	-
Accrued billings	24	75,264,429	189,891,425	-	-
Trade receivables	25	150,107,754	113,039,465	-	-
Other receivables	26	32,433,661	32,105,826	4,750,116	6,167,694
Amount due from subsidiary companies	27	-	-	526,152,696	442,030,907
Tax recoverable		18,956,756	17,507,545	-	-
Deposits, cash and bank balances	28	307,751,466	263,769,608	43,021,808	10,078,689
Total Current Assets		763,355,704	927,749,531	575,220,562	459,573,232
TOTAL ASSETS		1,965,827,602	1,981,329,697	1,121,604,000	1,006,498,997

STATEMENTS OF FINANCIAL POSITION

AS OF 30 APRIL 2017

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Issued capital	29	418,631,554	363,910,657	418,631,554	363,910,657
Share premium	29	-	54,720,897	-	54,720,897
Capital reserve	29	300,000	300,000	-	-
Equity-settled employee benefits reserve	29	6,648,587	6,209,805	6,648,587	6,209,805
Foreign currency translation reserve		872,839	742,803	-	-
Treasury shares	29	(4,272,596)	(3,509,514)	(4,272,596)	(3,509,514)
Restricted shares grant reserve	29	(238,430)	(3,110,234)	(238,430)	(3,110,234)
Retained earnings	30	655,520,393	572,673,427	314,302,425	233,502,201
Equity attributable to owners of the Company		1,077,462,347	991,937,841	735,071,540	651,723,812
Non-controlling interests		47,526,929	59,325,854	-	-
Total Equity		1,124,989,276	1,051,263,695	735,071,540	651,723,812
Non-current Liabilities					
Long term liabilities	31	239,930,961	250,609,337	133,550,000	-
Deferred tax liabilities	21	2,283,538	2,477,157	-	-
Total Non-current Liabilities		242,214,499	253,086,494	133,550,000	-
Current Liabilities					
Trade payables	32	126,212,459	138,429,471	-	3,234
Other payables and accrued expenses	33	114,813,548	168,434,863	1,731,778	1,648,241
Provisions	33	43,458,738	61,040,310	-	-
Advance billings	24	11,327,368	945,444	-	-
Amount due to subsidiary companies	27	-	-	91,208,372	139,043,712
Hire-purchase and lease payables	31	401,229	468,000	-	-
Borrowings	34	290,019,111	279,792,676	148,950,000	199,200,000
Tax liabilities		1,546,777	13,388,746	247,713	400,000
Dividend payable		10,844,597	14,479,998	10,844,597	14,479,998
Total Current Liabilities		598,623,827	676,979,508	252,982,460	354,775,185
Total Liabilities		840,838,326	930,066,002	386,532,460	354,775,185
TOTAL EQUITY AND LIABILITIES		1,965,827,602	1,981,329,697	1,121,604,000	1,006,498,997

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

STATEMENTS OF
CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2017

The Group

		Non-distributable reserves						Distributable reserve			
	Issued capital RM	Share premium RM	Capital reserve RM	Equity-settled employee benefits reserve RM	Foreign currency translation reserve RM	Treasury shares RM	Restricted shares grant reserve RM	Retained earnings RM	Attributable to owners of the Company RM	Non-controlling interest RM	Total equity RM
As of 1 May 2015	363,910,657	54,779,442	300,000	6,416,991	(147,400)	(1,090,820)	(8,125,549)	522,901,944	938,945,265	57,834,233	996,779,498
Profit for the year	-	-	-	-	-	-	-	80,924,591	80,924,591	4,734,912	85,659,503
Other comprehensive income for the year	-	-	-	-	890,203	-	-	-	890,203	-	890,203
Total comprehensive income for the year	-	-	-	-	890,203	-	-	80,924,591	81,814,794	4,734,912	86,549,706
Share of non-controlling interests in results of associated companies	-	-	-	-	-	-	-	-	-	498,667	498,667
Dividend to non-controlling shareholders of subsidiary companies	-	-	-	-	-	-	-	-	-	(3,741,958)	(3,741,958)
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	-	(30,579,761)	(30,579,761)	-	(30,579,761)
Effect of vesting of RSG shares (Note 29)	-	-	-	(6,404,388)	-	-	6,977,735	(573,347)	-	-	-
Recognition of share-based payments (Note 29)	-	(58,545)	-	6,197,202	-	-	-	-	6,138,657	-	6,138,657
Repurchase of treasury shares (Note 29)	-	-	-	-	-	(2,418,694)	-	-	(2,418,694)	-	(2,418,694)
Repurchase of RSG shares (Note 29)	-	-	-	-	-	-	(1,962,420)	-	(1,962,420)	-	(1,962,420)
As of 30 April 2016	363,910,657	54,720,897	300,000	6,209,805	742,803	(3,509,514)	(3,110,234)	572,673,427	991,937,841	59,325,854	1,051,263,695
As of 1 May 2016	363,910,657	54,720,897	300,000	6,209,805	742,803	(3,509,514)	(3,110,234)	572,673,427	991,937,841	59,325,854	1,051,263,695
Transfer arising from "no-par-value" regime (Note 29)	54,720,897	(54,720,897)	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	108,193,469	108,193,469	1,015,786	109,209,255
Other comprehensive income for the year	-	-	-	-	130,036	-	-	-	130,036	-	130,036
Total comprehensive income for the year	-	-	-	-	130,036	-	-	108,193,469	108,323,505	1,015,786	109,339,291
Dividend to non-controlling shareholders of subsidiary companies	-	-	-	-	-	-	-	-	-	(12,814,711)	(12,814,711)
Dividend to owners of the Company (Note 12)	-	-	-	-	-	-	-	(25,161,291)	(25,161,291)	-	(25,161,291)
Effect of vesting of RSG shares (Note 29)	-	-	-	(3,242,145)	-	-	3,427,357	(185,212)	-	-	-
Recognition of share-based payments (Note 29)	-	-	-	3,680,927	-	-	-	-	3,680,927	-	3,680,927
Repurchase of treasury shares (Note 29)	-	-	-	-	-	(763,082)	-	-	(763,082)	-	(763,082)
Repurchase of RSG shares (Note 29)	-	-	-	-	-	-	(555,553)	-	(555,553)	-	(555,553)
As of 30 April 2017	418,631,554	-	300,000	6,648,587	872,839	(4,272,596)	(238,430)	655,520,393	1,077,462,347	47,526,929	1,124,989,276

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

The Company

		Non-distributable reserves				Distributable reserve	
	Issued capital RM	Share premium RM	Equity-settled employee benefits reserve RM	Restricted shares grant reserve RM	Treasury shares RM	Retained earnings RM	Total RM
As of 1 May 2015	363,910,657	54,779,442	6,416,991	(8,125,549)	(1,090,820)	93,261,483	509,152,204
Total comprehensive income for the year	-	-	-	-	-	171,393,826	171,393,826
Dividends (Note 12)	-	-	-	-	-	(30,579,761)	(30,579,761)
Recognition of share-based payments (Note 29)	-	(58,545)	6,197,202	-	-	-	6,138,657
Repurchase of treasury shares (Note 29)	-	-	-	-	(2,418,694)	-	(2,418,694)
Repurchase of RSG shares (Note 29)	-	-	-	(1,962,420)	-	-	(1,962,420)
Effect of vesting of RSG shares (Note 29)	-	-	(6,404,388)	6,977,735	-	(573,347)	-
As of 30 April 2016	363,910,657	54,720,897	6,209,805	(3,110,234)	(3,509,514)	233,502,201	651,723,812
As of 1 May 2016	363,910,657	54,720,897	6,209,805	(3,110,234)	(3,509,514)	233,502,201	651,723,812
Transfer arising from "no-par-value" regime (Note 29)	54,720,897	(54,720,897)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	106,146,727	106,146,727
Dividends (Note 12)	-	-	-	-	-	(25,161,291)	(25,161,291)
Recognition of share-based payments (Note 29)	-	-	3,680,927	-	-	-	3,680,927
Repurchase of treasury shares (Note 29)	-	-	-	-	(763,082)	-	(763,082)
Repurchase of RSG shares (Note 29)	-	-	-	(555,553)	-	-	(555,553)
Effect of vesting of RSG shares (Note 29)	-	-	(3,242,145)	3,427,357	-	(185,212)	-
As of 30 April 2017	418,631,554	-	6,648,587	(238,430)	(4,272,596)	314,302,425	735,071,540

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

STATEMENTS OF
CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit before tax	169,744,370	122,406,796	110,177,340	173,351,343
Adjustments for:				
Finance costs	20,243,505	19,356,290	16,038,153	13,210,020
Provision for release of bumiputera quota	17,796,007	-	-	-
Share-based payment expenses	3,680,927	6,197,202	3,680,927	3,843,436
Depreciation of property, plant and equipment	3,646,323	3,746,823	366,088	562,156
Write-down of liquidated ascertained damages not recoverable/ (Liquidated ascertained damages recoverable from contractor)	2,683,600	(5,366,800)	-	-
Provision for liquidated ascertained damages to purchasers	1,311,613	24,512,310	-	-
Allowance for doubtful debts	148,233	-	-	-
Amortisation of prepaid lease payments on leasehold land	4,045	4,045	-	-
Property, plant and equipment written off	38	3,289	-	-
Allowance for foreseeable loss on property development	-	9,865,552	-	-
Unrealised foreign exchange loss	-	-	63,392	43,067
Interest income	(9,309,558)	(7,535,160)	(23,764,789)	(19,660,484)
Allowance for foreseeable losses on property development no longer required	(2,516,271)	-	-	-
Share of profit of associated companies	(1,824,541)	(2,988,518)	-	-
Fair value gain on investment properties	(276,400)	(12,105,766)	-	-
Gain on disposal of property, plant and equipment	-	(40,239)	-	-
Dividend income	-	-	(108,361,466)	(175,015,969)
Operating Profit/(Loss) Before Working Capital Changes	205,331,891	158,055,824	(1,800,355)	(3,666,431)
(Increase)/Decrease in:				
Land held for property development	(164,942,037)	(41,217,573)	-	-
Inventories	3,025,746	(18,514,716)	-	-
Property development costs	104,736,900	65,236,949	-	-
Accrued billings	114,626,996	(65,732,046)	-	-
Receivables	(40,227,957)	60,713,531	1,417,578	6,163,749
Increase/(Decrease) in:				
Payables	(84,289,854)	123,774,392	80,303	386,475
Advance billings	10,381,924	(33,887,031)	-	-
Amount due to associated companies	-	(12,057,028)	-	-
Cash Generated From/(Used In) Operations	148,643,609	236,372,302	(302,474)	2,883,793
Income tax paid	(42,257,026)	(69,026,458)	(3,567,500)	(3,425,991)
Finance costs paid	(26,983,169)	(27,263,005)	(16,038,153)	(13,205,412)
Net Cash From/(Used In) Operating Activities	79,403,414	140,082,839	(19,908,127)	(13,747,610)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES					
Interest received		9,172,431	6,584,333	23,764,789	19,660,484
Distribution of fund upon termination of associated company		126,591	17,431,688	-	-
Dividend received from investment in associated companies		-	3,003,000	-	-
Proceeds from disposal of property, plant and equipment		-	94,342	-	-
Dividends received from subsidiary companies		-	-	108,361,466	175,015,969
Purchase of property, plant and equipment		(1,270,714)	(1,869,005)	(39,161)	(44,733)
Additions to investment properties		-	(40,698,794)	-	-
Advances made to subsidiary companies		-	-	(84,521,789)	(197,470,485)
Net cash outflow on acquisition of a subsidiary company (Note 17)		-	-	-	(21,971,989)
Net Cash From/(Used In) Investing Activities		8,028,308	(15,454,436)	47,565,305	(24,810,754)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES					
Drawdown/(Repayment) of revolving credits		57,811,492	(42,465,138)	52,500,000	(5,200,000)
(Repayment)/Drawdown of term loans and bridging loans		(57,862,204)	(57,369,986)	30,800,000	(26,000,000)
(Decrease)/Increase in amount due to subsidiary companies		-	-	(47,898,732)	98,879,161
Dividends paid		(28,801,251)	(30,437,969)	(28,796,692)	(30,437,969)
Placement of deposits with maturity in excess of 90 days and deposits pledged		(21,988,420)	(2,541,802)	-	-
Dividends paid to non-controlling shareholders of subsidiary companies		(12,814,711)	(3,741,958)	-	-
Shares buy back		(763,082)	(2,418,694)	(763,082)	(2,418,694)
Repurchase of shares under Employees' Share Scheme ("ESS")		(555,553)	(1,962,420)	(555,553)	(1,962,420)
Repayment of hire-purchase and lease payables		(468,000)	(482,332)	-	(186,246)
Payment for ESS costs		-	(58,545)	-	(58,545)
Net Cash (Used in)/From Financing Activities		(65,441,729)	(141,478,844)	5,285,941	32,615,287
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		21,989,993	(16,850,441)	32,943,119	(5,943,077)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		257,565,304	274,391,994	10,078,689	16,021,766
Effect of exchange rate changes on the balance of cash held in foreign currencies		3,445	23,751	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	28	279,558,742	257,565,304	43,021,808	10,078,689

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

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally involved in property development and investment holding.

The principal activities of the subsidiary and associated companies are disclosed in Note 42.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM").

The registered office and principal place of business of the Company is located at Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 16 August 2017.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of New and Revised Financial Reporting Standards

In the current financial year, the Group adopted all the new and revised FRSs and Issues Committee Interpretations ("IC Interpretation") and amendments to FRSs and IC Interpretation issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual financial periods beginning on or after 1 May 2016.

Amendments to FRS 101 Disclosure Initiative
Amendments to FRSs contained in the document entitled Annual Improvements to FRSs 2014 - 2016 Cycle

The adoption of these amendments to FRSs did not result in significant changes in the accounting policies of the Group and has no significant effect on the financial performance or position of the Group.

Malaysian Financial Reporting Standards Framework ("MFRS Framework")

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework"), a fully-IFRS compliant framework. Entities other than private entities should apply the MFRS Framework for annual periods beginning on or after 1 January 2013, with the exception of Transitioning Entities.

Transitioning Entities, being entities within the scope of MFRS 141 Agriculture and/or IC Interpretation 15: Agreements for the Construction of Real Estate, including its parents, significant investors and venturers were allowed to defer the adoption of the MFRS Framework until such time as mandated by the MASB. On 2 September 2015, with the issuance of MFRS 15 Revenue from Contracts with Customers and Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants, the MASB announced that Transitioning Entities which have chosen to continue with the FRS Framework are now required to adopt the MFRS Framework latest by 1 January 2017.

On 8 September 2015, the MASB confirmed that the effective date of MFRS 15 will be deferred to annual periods beginning on or after 1 January 2018. However, early application of MFRS 15 is still permitted.

The Group falls within the scope definition of Transitioning Entities and has availed itself of this transitional arrangement and will continue to apply FRSs in the preparation of its financial statements. Accordingly, the Group will be required to apply MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* in its financial statements for the financial year ending 30 April 2019, being the first set of financial statements prepared in accordance with the new MFRS Framework.

The Group is currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. At the date of authorisation for issue of these financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adopting the new MFRS Framework on the Group's first set of financial statements prepared in accordance with the MFRS Framework cannot be determined and estimated reliably until the process is complete.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Cont'd)

Standards and IC Interpretations in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new and revised Standards and IC Interpretations which were in issue but not yet effective and not early adopted by the Group are as listed below:

Amendments to FRS 107	Disclosure Initiative[1]
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses[1]
FRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2015)[2]
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions[2]
Amendments to FRS 10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint venture[3]
Amendments to FRS 4	Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts[2]
Amendments to FRS 140	Transfer of Investment Property[2]
IC int. 22	Foreign Currency Transactions and Advance Consideration[2]
Amendments to FRSs	Annual Improvements to FRSs 2014 - 2016 cycle[1 or 2]

1 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
2 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
3 Effective date deferred to a date to be determined and announced, with earlier application still permitted.

The directors anticipate that the abovementioned Standards and IC Interpretations will be adopted in the annual financial statements of the Group when they become effective and that the adoption of these Standards and IC Interpretations will have no material impact on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies stated below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 2, leasing transactions that are within the scope of FRS 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 102 or value in use in FRS 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the Company and the amount of the revenue can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

(i) Sale of development properties

Revenue from sale of residential and commercial properties are accounted for by the stage of completion method as described in Note 3(m).

Sale of vacant land and completed property units is recognised when the risks and rewards associated with ownership transfers to the property purchasers.

(ii) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 3(n).

(iii) Project management fee

Project management fee is recognised when such service is rendered.

(iv) Dividend income

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

(v) Rental income

Rental income is recognised over the tenure of the rental period of properties.

(vi) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(vii) Government grant income

Government grant income is recognised in the profit or loss when there is reasonable assurance that the Group will comply with the conditions attached to the grant, if any, and that the grant will be received.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Employee Benefits

(i) Short-term benefits

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

(ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' salaries. Such contributions are recognised as an expense in profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

(iii) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(c) Foreign currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements of the Group, the results and financial position of each entity are expressed in RM, which is the functional currency of the Company and the presentation currency for the financial statements of the Group.

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

For the purpose of presenting financial statements of the Group, the assets and liabilities of the Group's foreign operations are expressed in RM using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rates prevailing on the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Income Taxes

Income tax in profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences as of the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors of the Group reviewed the Group's investment properties and concluded that they are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to FRS 112 is not rebutted. As a result, the Group has recognised deferred taxes on changes in fair value of the investment properties based on the expected rate that would apply on disposal of the investment properties.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle their current tax assets and liabilities on a net basis.

(e) Subsidiary Companies and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiary companies. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Subsidiary Companies and Basis of Consolidation (Cont'd)

Consolidation of a subsidiary company begins when the Company obtains control over the subsidiary company and ceases when the Company loses control of the subsidiary company. Specifically, income and expenses of a subsidiary company acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiary companies are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Where the Group loses control of a subsidiary company, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary company and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary company are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(f) Business Combinations

Acquisitions of subsidiary companies and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant FRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 3 (revised) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with FRS 112 *Income Taxes* and FRS 119 *Employee Benefits*, respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale* and *Discontinued Operations* are measured in accordance with that Standard.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Business Combinations (Cont'd)

If the initial accounting for a business combination is incomplete by end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items of which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

(g) Investments in Subsidiary Companies

Investments in unquoted shares of subsidiary companies, which are eliminated on consolidation, are stated at cost less any accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(h) Investments in Associated Company

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with FRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of FRS 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with FRS 136 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with FRS 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with FRS 139. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Investments in Associated Company (Cont'd)

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of the Group's interest in the associate that are not related to the Group.

(i) Goodwill

Goodwill arising on the acquisition of subsidiary company represents the excess of cost of the acquisition over the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, and is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary company, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

(j) Impairment of Assets Excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(j).

Depreciation of property, plant and equipment is computed on a straight-line basis to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates used are as follows:

Building and improvements	6 years to 30 years
Furniture and fittings	10% - 20%
Office equipment	10% - 20%
Computers	20% - 33 1/3%
Motor vehicles	20%
Plant and machinery	20%

At the end of each reporting period, the residual values, useful lives and depreciation method of the property, plant and equipment are reviewed, and the effects of any changes are recognised prospectively.

Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

(l) Investment Properties

Investment properties carried at fair value

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised in other comprehensive income and accumulated in equity as revaluation reserve. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Investment Properties (Cont'd)

Determination of fair value

Fair value of investment properties are determined based on annual valuation carried out by an external, independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of properties being valued or, based on past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the directors' best estimates.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

(m) Land Held for Property Development and Property Development Costs

Land and development expenditure are classified as property development costs under current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Property development revenue are recognised for all units sold using the percentage of completion method, by reference to the stage of completion of the property development projects at the end of the reporting period as measured by the proportion that development costs incurred for work performed to-date bear to the estimated total property development costs on completion.

When the outcome of a property development activity cannot be estimated reliably, property development revenue is recognised to the extent of property development costs incurred that are probable of recovery.

Any anticipated loss on property development project (including costs to be incurred over the defects liability period) is recognised as an expense immediately as foreseeable losses.

Accrued billings represent the excess of property development revenue recognised in profit or loss over the billings to purchasers while advance billings represent the excess of billings to purchasers over property development revenue recognised in profit or loss.

Land held for property development and costs attributable to the development activities which are held for future development where no significant development has been undertaken is stated at cost less impairment costs (if any). Such assets are transferred to property development activities when significant development has been undertaken and the development is expected to be completed within the normal operating cycle.

(n) Construction Contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured as the physical proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are probable of recovery. Contract costs are recognised as expenses 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 as allowance for foreseeable loss.

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

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Borrowing Costs

Interest incurred on borrowings related to property development activities or construction of assets are capitalised as part of the cost of the asset during the period of time required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs ceases when the assets are ready for their intended use or sale.

All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

(p) Inventories

Inventories comprise completed property units and vacant land for sale and are valued at the lower of cost (determined on the specific identification basis) and net realisable value.

(q) Property, Plant and Equipment Under Hire-Purchase Arrangements

Property, plant and equipment acquired under hire-purchase arrangements are recognised in the financial statements and the corresponding obligations treated as liabilities. Finance charges are allocated to profit or loss to give a constant periodic rate of interest on the remaining hire-purchase liabilities.

(r) Leases

(i) Finance Lease

Assets acquired under leases which transfer substantially all of the risks and rewards incident to ownership of the assets are capitalised under property, plant and equipment. The assets and the corresponding lease obligations are recorded at their fair values or, if lower, at the present value of the minimum lease payments of the leased assets at the inception of the respective leases.

In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used.

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

The depreciation policy for leased assets and assets under hire-purchase is consistent with that for depreciable property, plant and equipment as described in Note 3(k).

(ii) Operating Lease

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating lease are charged to profit or loss over the lease period.

(s) Prepaid Lease Payments on Leasehold Land

Lease of land with title not expected to pass to the lessee by the end of the lease term is treated as operating lease as land normally has an indefinite economic life. The up-front payments made on entering into a lease or acquiring a leasehold land that is accounted for as an operating lease are accounted for as prepaid lease payments that are amortised over the lease term on a straight line basis except for leasehold land classified as investment property.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Provisions

Provisions are made when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(u) Shares Bought Back

Shares bought back held as treasury shares are accounted for on the cost method and presented as a deduction from equity. Should such shares be cancelled, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves as appropriate. When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the deferred tax effects, is recognised in equity.

(v) Cash and Cash Equivalents

The Group and the Company adopt the indirect method in the preparation of statements of cash flows.

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

(w) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

(x) Segment Reporting

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

(y) Financial Instruments

Financial assets and financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(y) Financial Instruments (Cont'd)

Financial Assets

Financial assets of the Group are classified as 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(i) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(ii) AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. All AFS assets are measured at fair value at the end of the reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of the reporting period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary assets. Other foreign exchange gains and losses are recognised in other comprehensive income.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(iv) Impairment of financial assets

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

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

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(y) Financial Instruments (Cont'd)

Financial Assets (Cont'd)

(iv) Impairment of financial assets (Cont'd)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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

For financial assets measured at amortised cost, 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 through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

(v) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(y) Financial Instruments (Cont'd)

Financial liabilities and equity instruments issued by the Group and the Company

(i) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs. Ordinary shares are equity instruments.

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

(iii) Financial liabilities

Financial liabilities of the Group are classified as 'other financial liabilities'.

(a) Other financial liabilities

The Group's and the Company's other financial liabilities, which include trade payables, other payables and accrued expenses, amount due to subsidiary companies, amount due to associated company, hire-purchase and lease payables, borrowings and dividend payable, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

(b) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability recognised and the consideration paid or payable is recognised in profit or loss.

(c) Financial guarantee contracts

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with FRS 137 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(a) Critical judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgment which are expected to have a significant effect on the amounts recognised in the financial statements except as discussed below:

Classification between Investment Properties and Property, Plant and Equipment

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for own use for administrative purposes.

If these portions would be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for own use for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

(b) Key sources of estimation uncertainty

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

(i) Revenue Recognition on Property Development and Construction Contracts

The Group recognises property development and construction contract revenue in profit or loss by using the percentage-of-completion method.

The stage of completion is determined by the proportion that property development and contract costs incurred for work performed to date bear to the estimated total property development and contract costs. Estimated losses are recognised in full when determined. Property development and contract revenue and expenses estimates are reviewed and revised periodically as work progresses and as variation orders are approved.

Significant judgment is required in determining the stage of completion, the extent of the property development and contract costs incurred, the estimated total property development and contract revenue and costs, as well as the recoverability of the project undertaken. In making the judgment, the Group evaluates based on past experience and by relying on the work of specialists. If the Group is unable to make reasonably dependable estimates, the Group would not recognise any profit before a contract is completed, but would recognise a loss as soon as the loss becomes evident.

Adjustments based on the percentage-of-completion method are reflected in property development and contract revenue in the reporting period. To the extent that these adjustments result in a reduction or elimination of previously reported property development and contract revenue and costs, the Group recognises a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

Note 3(a) describes the Group's policy to recognise revenue from sales of properties using the percentage of completion method. Property development revenue is recognised in respect of all development units that have been sold.

Some portions of the Group's revenue are billed under fixed price contracts. Variation orders are commonly billed to customers in the normal course of business and these are recognised to the extent they have been agreed with the customers and can be reasonably estimated.

Any anticipated loss on property development project is recognised as an expense immediately as foreseeable loss. As of 30 April 2017, the amount of allowance for foreseeable loss is disclosed in Note 23.

Any estimated amount of shortfall relating to affordable housing obligations is recognised as a provision. As of 30 April 2017, the provision for affordable housing obligations is disclosed in Note 33(c).

(ii) Deferred Tax Assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits will be available against which these losses and capital allowances can be utilised. Significant 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 included in Note 21.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

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

(iii) Fair Value of Investment Properties

The Group determines the fair value of investment properties based on valuation carried out by an independent firm of professional valuers or, based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the directors' best estimates. The carrying amount of investment properties is disclosed in Note 15.

(iv) Estimated Impairment of Goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the end of the reporting period was RM395,165 (2016: RM395,165).

(v) Impairment of Non-Current Assets

The Group reviews the carrying amount of its non-current assets, which include property, plant and equipment, land held for property development, investments in associated companies and other investments, to determine whether there is an indication that those assets have suffered an impairment loss. The impairment loss on other investments is disclosed in Note 19.

(vi) Net Realisable Value of Completed Property Units

Inventories of completed property units are stated at the lower of cost and net realisable value. The Group determines net realisable value based on historical trends and management estimates of future products demand and related pricing. Possible changes in these estimates could result in revisions to the valuation of inventories. Details are disclosed in Note 22.

(vii) Allowance for Doubtful Debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of trade receivables. Allowances are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade receivables and doubtful debts expenses in the period in which such estimate has been changed.

(viii) Provision for Release of Bumiputra Quota

Provision for release of bumiputra quota is recognised for expected bumiputra quota penalties to be imposed by local authorities. Significant judgement is required in determining the amount of provision to be made. The Group evaluates the amount of provision required based on past experience and industry norm. As of 30 April 2017, the amount of provision for release of bumiputra quota is disclosed in Note 33.

(ix) Provision for Liquidated Ascertained Damages

Provision for liquidated ascertained damages ("LAD") is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements. Significant judgement is required in determining the amount of provision for LAD to be made and in assessing LAD recoverable from the main contractors. The Group evaluates the amount of provision required based on management's best estimate of the anticipated completion date of the project, past experience and the industry norm. As of 30 April 2017, the amount of provision made for LAD payable to purchasers is disclosed in Note 33.

(x) Material Litigation

The Group assesses the probable outcome of material litigation, which is contingent upon future event beyond the control of the Group, based on available facts and circumstances and in consultation with its legal counsel. Details of a material litigation that has occurred subsequent to the end of the financial year is disclosed in Note 43(b).

5. REVENUE

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Property development	399,132,616	592,714,281	-	-
Sale of vacant land and completed properties	162,084,373	8,333,970	-	-
Rental income	19,751,140	12,625,327	-	-
Project management fee	3,112,929	2,929,876	-	-
Dividends from subsidiary companies (Note 27)	-	-	108,361,466	175,015,969
	584,081,058	616,603,454	108,361,466	175,015,969

6. COST OF SALES

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Property development costs (Note 23)	283,396,078	388,949,763	-	-
Cost of vacant land and completed properties sold (Note 22)	48,017,710	7,226,526	-	-
Rental and related costs	17,167,808	8,781,297	-	-
	348,581,596	404,957,586	-	-

7. INVESTMENT INCOME

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Interest income from:				
Deposits with licensed financial institutions	5,261,592	2,732,683	306,380	162,923
Housing development accounts	3,157,102	3,166,755	-	-
Overdue balances of house purchasers	692,236	581,844	-	-
Stakeholders' sum	61,501	103,051	-	-
Subsidiary companies (Note 27)	-	-	23,458,409	19,497,561
Accretion of interest on trade payables	137,127	950,827	-	-
	9,309,558	7,535,160	23,764,789	19,660,484

The following is an analysis of investment revenue earned on financial assets and financial liabilities by category.

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Loans and receivables (including deposits, cash and bank balances)	9,172,431	6,584,333	23,764,789	19,660,484
Other financial liabilities	137,127	950,827	-	-
	9,309,558	7,535,160	23,764,789	19,660,484

8. FINANCE COSTS

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Interest expense on:				
Revolving credit and other borrowings	15,448,766	14,754,454	11,125,527	9,994,137
Term loans	11,470,357	12,063,043	468,842	1,293,413
Hire-purchase and lease	64,046	90,650	-	2,754
Amount owing to subsidiary companies (Note 27)	-	-	4,443,784	1,919,716
Unwinding of discount on trade payables	1,011,641	359,466	-	-
	27,994,810	27,267,613	16,038,153	13,210,020
Less: Finance charges capitalised in:				
Property development costs (Note 23)	(1,263,971)	(4,478,910)	-	-
Land held for property development (Note 16)	(6,487,334)	(3,432,413)	-	-
	20,243,505	19,356,290	16,038,153	13,210,020

9. PROFIT BEFORE TAX

(a) Profit before tax has been arrived at after charging/(crediting):

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Provision for release of bumiputra quota (Note 33)	17,796,007	-	-	-
Depreciation of property, plant and equipment (Note 13)	3,646,323	3,746,823	366,088	562,156
Write down of liquidated ascertained damages not recoverable/(Liquidated ascertained damages recoverable from contractor)	2,683,600	(5,366,800)	-	-
Provision for liquidated ascertained damages to purchasers (Note 33)	1,311,613	24,512,310	-	-
Auditors' remuneration:				
Statutory audit				
Current	495,400	485,900	84,000	74,000
(Over)/Under-provision in prior years	(2,700)	3,926	-	-
Other services	41,000	41,000	6,000	6,000
Allowance for doubtful debts (Note 25)	148,233	-	-	-
Rental of premises paid to:				
Third parties	63,600	60,425	-	-
Subsidiary company (Note 27)	-	-	786,887	759,178
Remuneration of other professional services rendered by affiliates of auditors	83,900	84,200	-	-
Amortisation of prepaid lease payments on leasehold land (Note 14)	4,045	4,045	-	-
Property, plant and equipment written off	38	3,289	-	-
Allowance for foreseeable loss on property development (Note 23)	-	9,865,552	-	-
Unrealised foreign exchange loss on amount due from subsidiary companies	-	-	63,392	43,067
Government grant income (Note 10)	(26,280,471)	-	-	-
Allowance for foreseeable losses on property development no longer required (Note 23)	(2,516,271)	-	-	-
Rental income	(1,053,458)	(699,261)	(45,120)	(45,120)
Fair value gain on investment properties (Note 15)	(276,400)	(12,105,766)	-	-
Gain on disposal of property, plant and equipment	-	(40,239)	-	-

9. PROFIT BEFORE TAX (Cont'd)

(b) Staff costs

	The Group		The Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Wages, salaries and bonuses	17,925,356	19,017,805	419,916	408,677
Share-based payments (Note 29)	2,732,887	3,433,716	1,056,540	2,129,552
Pension costs - defined contribution plan	2,322,251	2,508,955	50,344	49,311
Social security contributions	109,793	95,775	3,086	2,651
Others	295,581	251,313	-	-
	23,385,868	25,307,564	1,529,886	2,590,191
Less: Amount capitalised in:				
Property development costs (Note 23)	(2,731,091)	(3,640,483)	-	-
Land held for property development (Note 16)	(854,620)	(454,187)	-	-
	19,800,157	21,212,894	1,529,886	2,590,191

(c) Directors' remuneration

	The Group		The Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Directors of the Company				
Executive:				
Salaries	4,020,000	4,020,000	201,000	217,750
Share-based payments (Note 29)	948,040	2,763,486	948,040	1,713,884
Pension costs under defined contribution plan	612,600	604,800	29,400	28,770
Other emoluments	355,000	705,000	-	-
Benefits-in-kind	96,600	105,600	96,600	30,600
	6,032,240	8,198,886	1,275,040	1,991,004
Non-Executive:				
Fees	230,000	218,000	230,000	218,000
Total	6,262,240	8,416,886	1,505,040	2,209,004
Directors of the subsidiary companies				
Salaries	485,832	479,432	-	-
Other emoluments	355,904	361,417	-	-
Pension costs under defined contribution plan	101,840	42,734	-	-
	943,576	883,583	-	-
Total	7,205,816	9,300,469	1,505,040	2,209,004

9. PROFIT BEFORE TAX (Cont'd)

(c) Directors' remuneration (Cont'd)

	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration	5,935,640	8,093,286	1,178,440	1,960,404
Total non-executive directors' remuneration	230,000	218,000	230,000	218,000
Total directors' remuneration for directors of subsidiary companies	943,576	883,583	-	-
	7,109,216	9,194,869	1,408,440	2,178,404
Less: Amount capitalised in:				
Property development costs (Note 23)	(2,523,019)	(3,574,886)	-	-
Land held for property development (Note 16)	(774,975)	(436,327)	-	-
	3,811,222	5,183,656	1,408,440	2,178,404

The number of directors of the Company whose total remuneration for the year fall within the following bands is as follows:

	Executive Directors 2017	Executive Directors 2016	Non-executive Directors 2017	Non-executive Directors 2016
Range of remuneration:				
Below RM50,000	-	-	1	3
RM50,001 to RM100,000	-	-	3	2
RM1,900,001 to RM1,950,000	1	-	-	-
RM1,950,001 to RM2,000,000	1	-	-	-
RM2,100,001 to RM2,150,000	1	-	-	-
RM2,600,001 to RM2,650,000	-	1	-	-
RM2,650,001 to RM2,700,000	-	1	-	-
RM2,900,001 to RM2,950,000	-	1	-	-

10. INCOME TAX EXPENSE

	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
Income tax:				
Current	22,475,904	65,426,700	3,600,000	3,300,000
Under/(Over)provision in prior years	6,489,942	662,561	(184,787)	107,517
	28,965,846	66,089,261	3,415,213	3,407,517
Deferred tax (Note 21):				
Current	29,487,969	(27,261,550)	(30,179)	(376,882)
Under/(Over) provision in prior years	2,081,300	(2,080,418)	645,579	(1,073,118)
	31,569,269	(29,341,968)	615,400	(1,450,000)
	60,535,115	36,747,293	4,030,613	1,957,517

10. INCOME TAX EXPENSE (Cont'd)

During the current financial year, a subsidiary company applied and received government grant income amounting to RM26,280,471 [Note 9(a)] in respect of public infrastructure costs incurred on a mixed development project which was completed in 2015. While the government grant income is tax exempted, this additional income has warranted a revision of the 2015 tax return of the said subsidiary company and resulted in additional tax payable of RM6,570,118 for the said year of assessment.

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

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Profit before tax	169,744,370	122,406,796	110,177,340	173,351,343
Less: Share of profit of associated companies	(1,824,541)	(2,988,518)	-	-
	167,919,829	119,418,278	110,177,340	173,351,343
Taxation at Malaysian statutory tax rate of 24% (2016: 24%)	40,300,759	28,660,387	26,442,562	41,604,322
Tax effects of income not subject to tax	(7,354,339)	(1,067,416)	(23,424,458)	(39,404,255)
Tax effects of expenses not deductible for tax purposes	16,217,292	10,427,259	551,717	723,051
Deferred tax assets not recognised	2,800,161	144,920	-	-
Under/(Over)provision of income tax expense in prior years	6,489,942	662,561	(184,787)	107,517
Under/(Over)provision of deferred tax in prior years	2,081,300	(2,080,418)	645,579	(1,073,118)
Tax expense for the year	60,535,115	36,747,293	4,030,613	1,957,517

11. EARNINGS PER SHARE

(a) Basic

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

	The Group	
	2017	2016
Profit attributable to owners of the Company (RM)	108,193,469	80,924,591
Number of ordinary shares in issue (net of treasury shares)	722,973,313	723,990,813
Effect of shares held in trust and recorded as restricted shares grant reserve	(2,216,225)	(5,939,562)
Number of ordinary shares used in the calculation of basic earnings per share	720,757,088	718,051,251
Basic earnings per share (sen)	15.01	11.27

11. EARNINGS PER SHARE (Cont'd)

(b) Diluted

Dilutive earnings per share have been calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares that would have been in issue assuming full exercise of the share options granted under the ESS of the Company, adjusted by the number of such ordinary shares that would have been issued at fair value as follows:

	The Group	
	2017	**2016**
Profit attributable to owners of the Company (RM)	108,193,469	80,924,591
Number of ordinary shares used in the calculation of basic earnings per share	720,757,088	718,051,251
Effect of share options dilution	-	258,580
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	720,757,088	718,309,831
Diluted earnings per share (sen)	15.01	11.27

12. DIVIDENDS

	The Group and The Company			
	Amount		Net Dividends per Ordinary Share	
	2017 RM	**2016 RM**	**2017 Sen**	**2016 Sen**
In respect of financial year ended 30 April 2015:				
- Final single-tier dividend of RM0.0225 per share on 715,544,913 ordinary shares, paid on 10 December 2015	-	16,099,761	-	2.3
In respect of financial year ended 30 April 2016:				
- First interim single-tier dividend of RM0.02 per share on 724,000,000 ordinary shares, paid on 14 June 2016	-	14,480,000	-	2.0
- Overprovision in prior year	(66,485)	-	-	-
- Final single-tier dividend of RM0.02 per share on 719,386,813 ordinary shares, paid on 8 December 2016	14,387,736	-	2.0	-
In respect of financial year ended 30 April 2017:				
- First single-tier dividend of RM0.015 per share on 722,669,313 ordinary shares, paid on 15 May 2017	10,840,040	-	1.5	-
	25,161,291	30,579,761	3.5	4.3

The directors propose a final single tier dividend of RM0.015 per share on 722,669,313 ordinary shares, totalling approximately RM10,840,040 in respect of the current financial year. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 30 April 2018.

The proposed dividend for 2017 is payable in respect of all outstanding ordinary shares in issue at a date to be determined by the directors subsequent to the approval of the shareholders at the forthcoming Annual General Meeting.

13. PROPERTY, PLANT AND EQUIPMENT

The Group	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Plant and machinery RM	Total RM
Cost							
As of 1 May 2015	61,862,774	2,924,396	1,932,462	1,992,997	5,191,726	4,127,550	78,031,905
Additions	44,510	300,600	594,761	169,494	280,000	479,640	1,869,005
Disposal	-	(464)	-	(2,900)	(360,673)	-	(364,037)
Write-offs	-	(801)	(5,479)	-	-	(1,024,247)	(1,030,527)
As of 30 April 2016/ 1 May 2016	61,907,284	3,223,731	2,521,744	2,159,591	5,111,053	3,582,943	78,506,346
Additions	283,222	371,448	(271,583)	225,107	-	662,520	1,270,714
Write-offs	-	(1,399)	(250)	(43,854)	-	-	(45,503)
As of 30 April 2017	62,190,506	3,593,780	2,249,911	2,340,844	5,111,053	4,245,463	79,731,557
Accumulated Depreciation							
As of 1 May 2015	8,668,845	2,184,272	1,537,403	1,692,008	2,959,595	3,284,888	20,327,011
Charge for the year [Note 9(a)]	2,246,198	196,994	129,944	139,573	678,039	356,075	3,746,823
Disposal	-	(464)	-	(2,900)	(306,570)	-	(309,934)
Write-off	-	(121)	(2,872)	-	-	(1,024,245)	(1,027,238)
As of 30 April 2016/ 1 May 2016	10,915,043	2,380,681	1,664,475	1,828,681	3,331,064	2,616,718	22,736,662
Charge for the year [Note 9(a)]	2,261,858	13,634	350,135	140,135	498,109	382,452	3,646,323
Write-offs	-	(1,399)	(213)	(43,853)	-	-	(45,465)
As of 30 April 2017	13,176,901	2,392,916	2,014,397	1,924,963	3,829,173	2,999,170	26,337,520
Accumulated Impairment Loss							
As of 1 May 2015/ 30 April 2016/1 May 2016/ 30 April 2017	2,392,003	-	-	-	-	-	2,392,003
Carrying Amount							
As of 30 April 2016	48,600,238	843,050	857,269	330,910	1,779,989	966,225	53,377,681
As of 30 April 2017	46,621,602	1,200,864	235,514	415,881	1,281,880	1,246,293	51,002,034

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

The Company	Building and improvements RM	Furniture and fittings RM	Office equipment RM	Computers RM	Motor vehicles RM	Total RM
Cost						
As of 1 May 2015	1,713,301	450,878	212,483	492,209	1,826,984	4,695,855
Additions	-	-	850	43,883	-	44,733
As of 30 April 2016/1 May 2016	1,713,301	450,878	213,333	536,092	1,826,984	4,740,588
Additions	-	-	16,601	22,560	-	39,161
As of 30 April 2017	1,713,301	450,878	229,934	558,652	1,826,984	4,779,749
Accumulated Depreciation						
As of 1 May 2015	729,869	313,583	133,909	290,260	1,645,220	3,112,841
Charge for the year [Note 9(a)]	256,580	35,789	20,605	67,422	181,760	562,156
As of 30 April 2016/1 May 2016	986,449	349,372	154,514	357,682	1,826,980	3,674,997
Charge for the year [Note 9(a)]	255,692	35,789	22,772	51,835	-	366,088
As of 30 April 2017	1,242,141	385,161	177,286	409,517	1,826,980	4,041,085
Net Carrying Amount						
As of 30 April 2016	726,852	101,506	58,819	178,410	4	1,065,591
As of 30 April 2017	471,160	65,717	52,648	149,135	4	738,664

At the end of the reporting period, property, plant and equipment of the Group and of the Company with net carrying amount of RM1,565,337 and RM4 (2016: RM2,221,940 and RM4) respectively were acquired under hire-purchase and lease arrangements.

Building and improvements of the Group with a net carrying amount of RM45,339,244 (2016: RM47,155,348) have been pledged as security for banking facilities granted to the Group as disclosed in Note 31.

14. PREPAID LEASE PAYMENTS ON LEASEHOLD LAND

	The Group Leasehold Land Unexpired period less than 30 years RM
Cost	
As of 1 May 2015/30 April 2016/1 May 2016/30 April 2017	121,353
Accumulated Amortisation	
As of 1 May 2015	56,631
Amortisation for the year [Note 9(a)]	4,045
As of 30 April 2016/1 May 2016	60,676
Amortisation for the year [Note 9(a)]	4,045
As of 30 April 2017	64,721
Net Book Value	
As of 30 April 2016	60,677
As of 30 April 2017	56,632

15. INVESTMENT PROPERTIES

	The Group			
	Freehold land and buildings RM	Leasehold land and buildings RM	Freehold land and building under construction RM	Total RM
At fair value:				
As of 1 May 2015	15,815,216	4,791,952	265,992,250	286,599,418
Addition through subsequent expenditure	-	-	40,698,794	40,698,794
Reclassification	306,691,044	-	(306,691,044)	-
Change in fair value of investment properties [Note 9(a)]	11,308,956	796,810	-	12,105,766
As of 30 April 2016	333,815,216	5,588,762	-	339,403,978
As of 1 May 2016	333,815,216	5,588,762	-	339,403,978
Change in fair value of investment properties [Note 9(a)]	(201,600)	478,000	-	276,400
Transfer from inventories (Note 22)	9,504,000	-	-	9,504,000
As of 30 April 2017	343,117,616	6,066,762	-	349,184,378

Freehold land and building under construction as at 1 May 2015, representing a retail mall under construction, has been transferred from property development costs to investment properties under construction following a change in plan to hold the said property to earn rentals and for capital appreciation. The construction of this retail mall was completed in 2016.

15. INVESTMENT PROPERTIES (Cont'd)

During the current year, the Group transferred car parks with carrying value totalling RM9,504,000 from inventories to investment properties following a change in plan to hold the said car parks to earn rentals and for capital appreciation. Based on valuation performed by an independent valuer, the fair value of the said car parks approximate their carrying value as of the date of transfer. As of 30 April 2017, the said car parks are managed by a subsidiary company which is principally acting as car park operator and manager.

The property rental income earned by the Group from its investment properties, all of which are leased out under operating leases, amounted to RM4,472,760 (2016: RM964,159). Direct operating expenses arising on the investment properties amounted to RM8,743,409 (2016: RM2,150,287).

Investment properties amounting to RM332,510,216 (2016: RM321,201,260) have been pledged as securities for banking facilities granted to the Group as mentioned in Note 34.

Fair value information

The fair value of the Group's investment properties as of 30 April 2017 and 2016 have been arrived at on the basis of the directors' best estimates, by reference to valuation performed by independent valuer and market evidence of transacted prices for the same or similar properties. Based on this, the directors are of the opinion that the carrying amount of the investment properties of the Group approximates their fair value.

Retail mall

The fair value of the retail mall as of 30 April 2017 and 2016 has been arrived at on the basis of a valuation carried out by independent valuer. The fair value was determined based on comparison method of valuation, which is regarded by the independent valuer as the more appropriate method of valuation as compared to investment method, owing to a lack of historical data relating to the operations of the retail mall which is in its first year of operations. In estimating the fair value of the property, the highest and the best use of the property is its current planned use.

Other investment properties

The fair value of the other investment properties of the Group as of 30 April 2017 and 2016 has been arrived at based on available past transacted prices of the same properties and in the absence of past transacted prices, on the basis of the directors' best estimates.

Fair value hierarchy

Details of the Group's investment properties and information about the fair value hierarchy as of 30 April 2017 and 2016 are as follows:

Located in Malaysia:	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
30.4.2017				
Retail mall	-	-	318,000,000	318,000,000
Commercial property units	-	21,881,978	9,302,400	31,184,378
	-	21,881,978	327,302,400	349,184,378
30.4.2016				
Retail mall	-	-	318,000,000	318,000,000
Commercial property units	-	18,210,073	3,193,905	21,403,978
	-	18,210,073	321,193,905	339,403,978

There was no transfer between Level 1 and 2 during the year.

15. INVESTMENT PROPERTIES (Cont'd)

Qualitative information about fair value measurement of investment property under construction using significant unobservable inputs (Level 3) as of 30 April 2017 and 2016:

Valuation Technique	Significant Unobservable Inputs	Range
30.04.2017		
Comparison method of valuation	Difference in occupancy, size, location, amenities/surrounding and timing of transaction.	-15% to 5%
30.04.2016		
Comparison method of valuation	Difference in size, location, amenities/surrounding and age of property.	-20% to 5%

16. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group 2017 RM	The Group 2016 RM
At beginning of year:		
Freehold land - at cost	32,163,623	50,203,202
Leasehold land - at cost	267,067,689	271,422,635
Development expenditure	269,368,564	237,570,303
	568,599,876	559,196,140
Additions:		
Freehold land - at cost	656,465	-
Leasehold land - at cost	10,079,804	23,364,793
Development expenditure	168,765,531	60,299,517
	179,501,800	83,664,310
Transfer to property development costs (Note 23):		
Leasehold land - at cost	(18,428)	(27,719,739)
Development expenditure	(8,054,001)	(10,343,758)
	(8,072,429)	(38,063,497)
Transfer to inventories (Note 22):		
Freehold land - at cost	-	(18,039,579)
Development expenditure	-	(18,157,498)
	-	(36,197,077)
At end of year	740,029,247	568,599,876
Comprising:		
Freehold land - at cost	32,820,088	32,163,623
Leasehold land - at cost	277,129,065	267,067,689
Development expenditure	430,080,094	269,368,564
	740,029,247	568,599,876

16. LAND HELD FOR PROPERTY DEVELOPMENT (Cont'd)

Current year charges to development expenditure include the following:

	The Group	
	2017 RM	2016 RM
Land lease extension and conversion premium (Note 33)	64,267,100	-
Less: Amount included in property development costs (Note 23)	(13,001,514)	-
	51,265,586	-
Finance costs (Note 8)	6,487,334	3,432,413
Staff costs [Note 9(b)]	854,620	454,187
Directors' remuneration [Note 9(c)]	774,975	436,327

Land held for property development of certain subsidiary companies have been pledged for banking facilities granted to the Group as disclosed in Note 31.

In accordance with the Joint Venture Agreement ("JVA") with Permodalan Negeri Selangor Berhad ("PNSB"), Glomac Rawang Sdn. Bhd., a wholly owned subsidiary company, is obliged to pay PNSB entitlement on the higher of either RM41,400,000 (2016: RM41,400,000) or a sum equal to 30% of the gross profit before tax (as defined in the JVA) to be generated by the development of the parcel of land belonging to PNSB progressively. As of 30 April 2017 and 2016, a total entitlement of RM41,400,000 has been fully paid and included in the land held for property development.

Transfer to Inventories

In 2016, Glomac Maju Sdn. Bhd., a wholly owned subsidiary company, entered into a sale and purchase agreement to dispose of a piece of freehold vacant land measuring 16.9082 hectares for a total consideration of RM145,594,944. As of 30 April 2016, the said subsidiary company received part consideration totalling RM109,196,208 (Note 33). The disposal was completed during 2017.

17. SUBSIDIARY COMPANIES

	The Company	
	2017 RM	2016 RM
Unquoted shares, at cost	542,979,803	542,579,803
Less: Accumulated impairment losses	(1,516,737)	(1,516,737)
	541,463,066	541,063,066

Details of the subsidiary companies are set out in Note 42.

Business Combinations

In 2016, the Company completed the acquisition of 100% equity interest in Precious Quest Sdn. Bhd. ("PQSB"), a company principally engaged in property development and investment, at a consideration of RM21,971,989.

The acquisition of PQSB was part of the Group's diversification strategy of property development into the State of Johor.

17. SUBSIDIARY COMPANIES (Cont'd)

Recognised amounts of identifiable assets acquired arising from the acquisition of PQSB in 2016 were as follows:

	RM
Non-Current Asset	
Land held for property development	21,971,712
Current Assets	
Other receivable	221
Bank balance	56
	21,971,989

PQSB's principal activity is property development. On 7 December 2007, PQSB and Kumpulan Prasarana Rakyat Johor Sdn Bhd ("KPRJ") entered into a Development Agreement whereby KPRJ had granted PQSB the rights to develop a piece of leasehold land held under Pajakan Negeri 58705 Lot 28044, Mukim Bukit Batu, Daerah Kulaijaya, Negeri Johor, measuring approximately 70.51 hectares registered in the name of KPRJ subject to the terms and conditions contained therein. As such, a substantial portion of the Group's purchase consideration on PQSB has been allocated to Land Held for Property Development as part of the purchase price allocation exercise.

As of 30 April 2017 and 2016, PQSB has not commenced any revenue generating activity.

Details of non-wholly owned subsidiary companies that have material non-controlling interests to the Group are as follows:

Name of subsidiary companies	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit/(Loss) allocated to non-controlling interests		Accumulated non- controlling interests	
		2017	2016	2017 RM	2016 RM	2017 RM	2016 RM
Glomac Bina Sdn. Bhd.	Malaysia	49%	49%	1,843,681	1,200,739	14,819,759	12,976,078
Glomac Al-Batha Mutiara Sdn. Bhd.	Malaysia	49%	49%	(1,493,677)	3,114,347	19,889,192	33,632,869
Glomac Al-Batha Sdn. Bhd.	Malaysia	49%	49%	28,020	112,666	7,513,069	20,127,260

Summarised financial information in respect of each of the Group's subsidiary companies that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

17. SUBSIDIARY COMPANIES (Cont'd)

	2017 RM	2016 RM
Glomac Bina Sdn. Bhd.		
Statement of financial position		
Current assets	68,716,325	82,904,207
Non-current assets	5,286,604	4,892,885
Current liabilities	(43,598,524)	(60,186,221)
Non-current liabilities	(160,000)	(129,080)
Equity attributable to owners of the Company	(15,424,646)	(14,505,713)
Non-controlling interests	(14,819,759)	(12,976,078)
Statement of profit or loss and other comprehensive income		
Revenue	101,577,123	115,275,456
Profit/Total comprehensive income for the year	3,762,614	2,450,488
Profit/Total comprehensive income attributable to:		
Owners of the Company	1,918,933	1,249,749
Non-controlling interests	1,843,681	1,200,739
	3,762,614	2,450,488
Statement of cash flows		
Net cash inflow from operating activities	6,447,424	15,608,410
Net cash (outflow)/inflow from investing activities	(17,980,327)	515,681
Net cash outflow from financing activities	(973,678)	(1,000,000)
Net cash (outflow)/inflow	(12,506,581)	15,124,091
Glomac Al-Batha Mutiara Sdn. Bhd.		
Statement of financial position		
Current assets	50,913,311	120,830,977
Non-current assets	-	900,000
Current liabilities	(10,323,125)	(53,092,470)
Equity attributable to owners of the Company	(20,700,994)	(35,005,638)
Non-controlling interests	(19,889,192)	(33,632,869)

17. SUBSIDIARY COMPANIES (Cont'd)

Glomac Al-Batha Mutiara Sdn. Bhd. (Cont'd)

	2017 RM	2016 RM
Statement of profit or loss and other comprehensive income		
Revenue	24,770,604	132,622,126
(Loss)/Profit/Total comprehensive (loss)/income for the year	(3,048,321)	6,355,810
(Loss)/Profit/Total comprehensive (loss)/income attributable to:		
Owners of the Company	(1,554,644)	3,241,463
Non-controlling interests	(1,493,677)	3,114,347
	(3,048,321)	6,355,810
Statement of cash flows		
Dividends paid to non-controlling interests	(12,250,000)	-
Net cash inflow from operating activities	39,352,299	25,002,365
Net cash inflow from investing activities	1,190,525	258,423
Net cash outflow from financing activities	(20,132,221)	(18,382,713)
Net cash inflow	8,160,603	6,878,075

Glomac Al-Batha Sdn. Bhd.

	2017 RM	2016 RM
Statement of financial position		
Current assets	146,794	914,136
Non-current assets	40,200,002	40,200,002
Current liabilities	(14,000)	(38,095)
Equity attributable to owners of the Company	(20,569,727)	(20,948,783)
Non-controlling interests	(19,763,069)	(20,127,260)
Statement of profit or loss and other comprehensive income		
Revenue	25,000,000	-
Profit/Total comprehensive income for the year	25,057,183	229,931
Profit/Total comprehensive income to:		
Owners of the Company	12,779,163	117,265
Non-controlling interests	12,278,020	112,666
	25,057,183	229,931
Statement of cash flows		
Dividends paid to non-controlling interests	(12,642,211)	(3,528,059)
Net cash outflow from operating activities	12,563,721	(99,296)
Net cash outflow from financing activities	(800,430)	(3,672,379)
Net cash inflow from investing activities	78,095	8,106,035
Net cash (outflow)/inflow	(800,825)	806,301

18. ASSOCIATED COMPANIES

	The Group 2017 RM	2016 RM
Unquoted shares, at cost	2,310,140	2,310,140
Share of post-acquisition reserves	31,452,113	29,627,572
	33,762,253	31,937,712

Summarised financial information in respect of each of the Group's material associated companies is set out below. The summarised financial information below represents amounts in the associated companies' financial statements prepared in accordance with FRSs.

	2017 RM	2016 RM
PPC Glomac Sdn. Bhd. and its subsidiary company, Irama Teguh Sdn. Bhd.		
Statement of financial position		
Current assets	60,043,991	72,839,615
Non-current assets	44,669,400	52,401,008
Current liabilities	(8,241,383)	(26,837,072)
Non-current liabilities	(8,829)	(7,153,345)
Net assets	96,463,179	91,250,206
Statement of profit or loss and other comprehensive income		
Revenue	23,368,142	51,976,666
Profit/Total comprehensive income for the year	5,212,975	9,963,387
Dividend received from the associated company during the year	-	3,003,000

Reconciliation of the above summarised financial information to the carrying amount of the interest in PPC Glomac Sdn. Bhd. and its subsidiary company as recognised in the consolidated financial statements:

	2017 RM	2016 RM
Net assets of the associated company	96,463,179	91,250,206
Proportion of the Group's ownership interest in PPC Glomac Sdn. Bhd.	35%	35%
Carrying amount of the Group's interest in PPC Glomac Sdn. Bhd.	33,762,113	31,937,572

Financial information of associated company that is individually immaterial:

Carrying amount of the Group's interest in VIP Glomac Pty. Ltd.	140	140

Details of the associated companies are set out in Note 42.

19. OTHER INVESTMENTS

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Available-for-sale				
Unquoted shares, at cost	4,000,000	4,000,000	-	-
Held to maturity				
Unquoted subordinated bonds, at cost	10,300,000	10,300,000	10,300,000	10,300,000
Allowance for diminution in value	(10,300,000)	(10,300,000)	(10,300,000)	(10,300,000)
	-	-	-	-
	4,000,000	4,000,000	-	-

20. GOODWILL ON CONSOLIDATION

	The Group	
	2017 RM	2016 RM
Cost		
At beginning and end of year	1,032,918	1,032,918
Accumulated impairment losses		
At beginning and end of year	(637,753)	(637,753)
Carrying amount		
At beginning and end of year	395,165	395,165

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from that business combination. Before recognition of any impairment losses, the carrying amount of goodwill had been allocated to the following business segment as independent CGU:

	The Group	
	2017 RM	2016 RM
Property development division	395,165	395,165

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the CGU is determined from value-in-use calculation which uses cash flow projections derived from the most recent financial budgets approved by management covering a three-year period, and an estimated discount rate of 5.44% (2016: 5.57%) per annum.

At the end of the reporting period, the Group assessed the recoverable amount of goodwill, and determined that no further impairment of goodwill associated with property investment is required. Management expects future cash flows will be generated from this CGU.

21. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
At beginning of year	53,327,920	23,985,952	4,797,108	3,347,108
Recognised in profit or loss (Note 10):				
Property, plant and equipment	95,941	2,046,248	17,176	33,755
Investment properties	50,068	(1,967,033)	-	-
Property development costs	(5,279,098)	(1,091,817)	-	-
Deferred income on disposal of development land	(26,255,488)	26,255,488	-	-
Other payables and accrued expenses	(1,661,200)	2,590,000	-	-
Unused tax losses and unabsorbed capital allowances	2,024,046	182,780	-	-
Others	(543,538)	1,326,302	(632,576)	1,416,245
	(31,569,269)	29,341,968	(615,400)	1,450,000
At end of year	21,758,651	53,327,920	4,181,708	4,797,108

Certain deferred tax assets and deferred tax liabilities have been offset in accordance with the Group's accounting policy. The following is an analysis of the deferred tax balances (after offset) for statements of financial position purposes:

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Deferred tax assets	24,042,189	55,805,077	4,181,708	4,797,108
Deferred tax liabilities	(2,283,538)	(2,477,157)	-	-
	21,758,651	53,327,920	4,181,708	4,797,108
Deferred tax liabilities (before offsetting)				
Temporary differences arising from:				
Property, plant and equipment	(224,701)	(300,075)	-	-
Investment properties	(2,158,391)	(2,208,459)	-	-
Others	(904)	(89,943)	-	-
	(2,383,996)	(2,598,477)	-	-
Offsetting	100,458	121,320	-	-
Deferred tax liabilities (after offsetting)	(2,283,538)	(2,477,157)	-	-

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

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Deferred tax assets (before offsetting)				
Temporary differences arising from:				
Property, plant and equipment	63,417	42,850	57,459	40,283
Property development costs	11,831,984	17,111,082	-	-
Subsidiary companies	-	-	364,017	364,017
Other investments	2,472,000	2,472,000	2,472,000	2,472,000
Amount owing by subsidiary companies	-	-	504,563	504,563
Deferred income on disposal of development land (Note 33)	-	26,255,488	-	-
Other payables and accrued expenses	928,800	2,590,000	-	-
Others	783,668	1,416,245	783,669	1,416,245
Unused tax losses and unabsorbed capital allowances	8,062,778	6,038,732	-	-
	24,142,647	55,926,397	4,181,708	4,797,108
Offsetting	(100,458)	(121,320)	-	-
Deferred tax assets (after offsetting)	24,042,189	55,805,077	4,181,708	4,797,108

As mentioned in Note 3(d), the tax effects of all taxable temporary differences are recognised. Where deductible temporary differences, unused tax losses and unused tax credits would give rise to net deferred tax asset, the tax effects are generally recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised. As of 30 April 2017, the estimated amount of unused tax losses and unabsorbed capital allowances pertaining to certain subsidiary companies, for which no deferred tax assets have been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	The Group	
	2017 RM	2016 RM
Unused tax losses	29,051,881	17,384,545
Unabsorbed capital allowances	404,252	404,252
	29,456,133	17,788,797

No deferred tax assets were recognised in the financial statements of these subsidiary companies due to uncertainty of their recoverability. The comparative information presented above has been restated to conform with the actual income tax computation submitted to tax authorities. The unabsorbed capital allowances and unused tax losses, which are subject to agreement by the Inland Revenue Board, are available indefinitely for offset against future taxable profits of the respective subsidiary companies in the Group.

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

The Budget 2017 announced on 21 October 2016 (gazetted on 16 January 2017) the reduction of corporate income tax rate from 24% to rates below based on the percentage of increase in chargeable income as compared to the immediate preceding year of assessment:

Percentage of increase in chargeable income as compared to the immediate preceding year of assessment	Percentage point of reduction on income tax rate	Reduced income tax rate on increase in chargeable income %
Less than 5%	Nil	24
5% - 9.99%	1	23
10% - 14.99%	2	22
15% - 19.99%	3	21
20% and above	4	20

The above changes are effective for years of assessment 2017 and 2018. Following this, the applicable tax rates to be used for the measurement of any applicable deferred tax will be at the expected rates.

22. INVENTORIES

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
At beginning of year	156,255,416	101,543,623	1,295,942	1,295,942
Transfer from property development costs (Note 23)	44,991,964	25,741,242	-	-
Transfer to investment properties (Note 15)	(9,504,000)	-	-	-
Inventories sold (Note 6)	(48,017,710)	(7,226,526)	-	-
Transfer from land held for property development (Note 16)	-	36,197,077	-	-
At end of year	143,725,670	156,255,416	1,295,942	1,295,942

Inventories of the Group amounting to RM34,228,109 (2016: RM34,228,109) are pledged to financial institutions as security for bank borrowings of the Group as mentioned in Note 31.

23. PROPERTY DEVELOPMENT COSTS

	The Group	
	2017 RM	2016 RM
At beginning of year:		
Freehold land - at cost	139,352,844	197,278,110
Leasehold land - at cost	284,001,604	173,271,282
Development expenditure	1,786,837,967	2,170,186,777
	2,210,192,415	2,540,736,169
Costs incurred during the year:		
Leasehold land - at cost	61,723,616	91,659,828
Development expenditure	131,616,203	245,729,565
	193,339,819	337,389,393

23. PROPERTY DEVELOPMENT COSTS (Cont'd)

	The Group 2017 RM	The Group 2016 RM
Transfer from land held for property development (Note 16):		
Leasehold land - at cost	18,428	27,719,739
Development expenditure	8,054,001	10,343,758
	8,072,429	38,063,497
Transfer to inventories (Note 22)	(44,991,964)	(25,741,242)
Allowance for foreseeable losses:		
At beginning of year	(42,024,878)	(47,167,401)
Provision for foreseeable losses during the year [Note 9(a)]	-	(9,865,552)
Provision no longer required [Note 9(a)]	2,516,271	-
Provision realised during the year	4,744,978	15,008,075
At end of year	(34,763,629)	(42,024,878)
Closed out due to completion of projects	(371,872,434)	(679,905,669)
Costs recognised as an expense in profit or loss:		
Previous year	(2,013,337,024)	(2,304,292,930)
Current year (Note 6)	(283,396,078)	(388,949,763)
Closed out due to completion of projects	371,872,434	679,905,669
Cumulative costs at end of year	(1,924,860,668)	(2,013,337,024)
At end of year	35,115,968	155,180,246
Comprising:		
Freehold land - at cost	504,741	20,207,538
Leasehold land - at cost	19,287,017	91,045,073
Development expenditure	15,324,210	43,927,635
	35,115,968	155,180,246

Current year charges to development expenditure include the following:

	The Group 2017 RM	The Group 2016 RM
Land lease extension and conversion premium (Note 16)	13,001,514	-
Staff costs [Note 9(b)]	2,731,091	3,640,483
Directors' remuneration [Note 9(c)]	2,523,019	3,574,886
Finance costs (Note 8)	1,263,971	4,478,910

Land held for property development and property development costs of certain subsidiary companies amounting to RM638,846,793 (2016: RM551,612,590) are charged for banking facilities granted to the subsidiary companies as mentioned in Note 34.

23. PROPERTY DEVELOPMENT COSTS (Cont'd)

In accordance with the Joint Venture Agreement ("JVA") with Leader Domain Sdn. Bhd. ("LDSB"), Glomac Resources Sdn. Bhd., a wholly owned subsidiary company, is obliged to pay LDSB entitlement based on profit-sharing (as defined in the JVA) to be generated by the development of certain parcels of land progressively. A total entitlement of RM12,225,258 (2016: RM12,225,258) has been included in the property development costs. As of 30 April 2017, an amount of RM9,770,522 (2016: RM9,770,522) has been paid and the remaining amount of RM2,454,736 (2016: RM2,454,736) has been recognised as part of land cost payable in Note 33.

24. ACCRUED BILLINGS/(ADVANCE BILLINGS)

	The Group	
	2017 RM	2016 RM
Revenue recognised in profit or loss todate	3,469,705,423	3,319,887,897
Progress billings todate	(3,405,768,362)	(3,130,941,916)
	63,937,061	188,945,981
Represented by:		
Accrued billings	75,264,429	189,891,425
Advance billings	(11,327,368)	(945,444)

25. TRADE RECEIVABLES

	The Group	
	2017 RM	2016 RM
Trade receivables		
Third parties	66,960,900	58,302,571
Stakeholders' sum	84,571,461	56,013,268
	151,532,361	114,315,839
Allowance for doubtful debts	(1,424,607)	(1,276,374)
	150,107,754	113,039,465

The Group's normal trade credit term ranges from 7 to 90 days (2016: 14 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

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

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

Stakeholders' sum represents retention sums held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid from 8 to 24 months after the delivery of vacant possession together with interest earned.

25. TRADE RECEIVABLES (Cont'd)

Ageing of past due but not impaired receivables

	The Group 2017 RM	The Group 2016 RM
Past due < 1 month	40,702,201	3,962,984
Past due 1 - 2 months	6,675,729	3,529,723
Past due 2 - 3 months	4,121,209	2,298,279
Past due > 3 months	13,349,262	7,550,779
Total	64,848,401	17,341,765

Movement in the allowance for doubtful debts

	The Group 2017 RM	The Group 2016 RM
Balance at beginning of year	1,276,374	1,276,374
Impairment losses recognised on receivables [Note 9(a)]	148,233	-
Balance at end of year	1,424,607	1,276,374

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

Ageing of past due and impaired

	The Group 2017 RM	The Group 2016 RM
Past due > 3 months	1,424,607	1,276,374

26. OTHER RECEIVABLES

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Refundable deposits	19,438,643	16,833,108	33,455	2,034,455
Other receivables	11,354,874	14,610,797	4,695,524	4,108,469
Less: Allowance for doubtful debts	(66,871)	(66,871)	-	-
	11,288,003	14,543,926	4,695,524	4,108,469
Prepaid expenses	816,036	646,484	21,137	24,770
Interest income receivable	890,979	82,308	-	-
	32,433,661	32,105,826	4,750,116	6,167,694

27. AMOUNT DUE FROM/(TO) SUBSIDIARY AND ASSOCIATED COMPANIES

Amount due from subsidiary companies, which arose mainly from trade transactions, assignment of debts, payment made on behalf and advances granted, bears interest at 5.44% (2016: at rates ranging from 5.57% to 5.68%) per annum and is unsecured and repayable on demand.

	The Company	
	2017 RM	2016 RM
Amount due from subsidiary companies	528,255,044	444,133,255
Allowance for doubtful debts	(2,102,348)	(2,102,348)
	526,152,696	442,030,907

Amount due to subsidiary companies, which arose mainly from assignment of debts and advances, is unsecured, bears interest at 5.44% (2016: at rates ranging from 5.57% to 5.68%) per annum and is repayable on demand.

During the financial year, significant transactions, which are determined on a basis as negotiated between the Company and its subsidiary companies, are as follows:

	The Company	
	2017 RM	2016 RM
Dividend received from subsidiary companies (Note 5)	108,361,466	175,015,969
Interest income receivable from subsidiary companies (Note 7)	23,458,409	19,497,561
Interest expense paid to subsidiary companies (Note 8)	4,443,784	1,919,716
Head office allocation income	866,098	1,218,950
Rental expenses paid to a subsidiary company [Note 9(a)]	786,887	759,178

28. DEPOSITS, CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Cash on hand and at banks	273,435,190	213,829,425	42,521,808	5,078,689
Deposits with licensed banks	33,816,276	49,940,183	-	5,000,000
Investment in short-term funds	500,000	-	500,000	-
Deposits, cash and bank balances	307,751,466	263,769,608	43,021,808	10,078,689
Less: Fixed deposits with maturity in excess of 90 days	(18,978,814)	-	-	-
Non-cash and cash equivalents - deposits pledged	(9,213,910)	(6,204,304)	-	-
Cash and cash equivalents	279,558,742	257,565,304	43,021,808	10,078,689

Included in the Group's cash and bank balances is an amount of RM170,726,768 (2016: RM148,154,272) which is held under Housing Development Accounts pursuant to Section 7A of the Housing Developers Act 1966. These accounts consist of monies received from purchasers and are used for the payment of property development expenditure incurred. The surplus monies, if any, will be released to the Group upon the completion of the property development and after all property development expenditure have been fully settled.

Deposits of the Group totalling RM9,213,910 (2016: RM6,204,304) have been pledged to secure bank guarantee facilities.

28. DEPOSITS, CASH AND CASH EQUIVALENTS (Cont'd)

The weighted average effective interest rates per annum for deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2017 %	2016 %	2017 %	2016 %
Licensed banks	3.1	3.0	3.6	3.5

The average maturity periods relating to the various deposits held at the end of the reporting period are as follows:

	The Group		The Company	
	2017 Days	2016 Days	2017 Days	2016 Days
Licensed banks	90	90	7	8

Investment in short-term funds are placements made in management funds that invest in fixed deposits and short-term money market instruments offered by banks or financial institutions licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013 which allow redemption with notice of 1 business day.

29. SHARE CAPITAL AND RESERVES

	The Group and The Company	
	2017 RM	2016 RM
Authorised:		
1,000,000,000 ordinary shares of RM0.50 each	-	500,000,000
Issued and fully paid:		
727,821,313 ordinary shares		
At beginning of year	363,910,657	363,910,657
Transfer from share premium	54,720,897	-
At end of year	418,631,554	363,910,657

The Company's issued and fully paid-up share capital comprises ordinary shares with a par value of RM0.50 each. The new Companies Act 2016 (Act), which came into operation on 31 January 2017, introduces the "no par value" regime. Accordingly, the concepts of "authorised share capital" and "par value" have been abolished.

In accordance with the transitional provisions of the Act, the amount standing to the credit of the Company's share premium account becomes part of the Company's share capital. This change does not have an impact on the number of shares in issue or the relative entitlement of any of the shareholders. The Company has a period of 24 months from the effective date of the Act to use the existing balance credited in the share premium account in a manner as specified by the Act. Included in issued capital as of 30 April 2017 is an amount of RM54,720,897 transferred from share premium on 31 January 2017, which can be utilised in a manner as specified by the Act during the 24 month-transitional period.

Share premium

Share premium arose from issuance of shares prior to the effective date of the Act.

Capital reserve

This reserve represents non-distributable reserve transferred from post-acquisition retained earnings arising from bonus issue of shares of a subsidiary company.

29. SHARE CAPITAL AND RESERVES (Cont'd)

Equity-settled employee benefits reserve

	The Group and The Company	
	2017 RM	2016 RM
Balance at beginning of year	6,209,805	6,416,991
Arising on share-based payments:		
Staff costs [Note 9(b)]	2,732,887	3,433,716
Directors' remuneration [Note 9(c)]	948,040	2,763,486
	3,680,927	6,197,202
Effect of vesting of RSG shares	(3,242,145)	(6,404,388)
Balance at end of year	6,648,587	6,209,805

The equity-settled employee benefits reserve relates to share options and restricted shares granted by the Company to employees of the Group under the Employees' Share Scheme. Further information about share-based payments to employees is set out in Note 38.

Treasury shares

The shareholders of the Company, by an ordinary resolution passed at the 32nd Annual General Meeting held on 21 September 2016, renewed their approval for the Company's plan to repurchase to its own shares up to a maximum of 10% of the total issued and fully paid up share capital listed on the Bursa Malaysia Securities Berhad.

During the financial year, the Company purchased 1,017,500 (2016: 2,819,500) units of its own shares through purchases on Bursa Malaysia Securities Berhad. The total amount paid for acquisition of the shares was RM763,082 (2016: RM2,418,694) and it has been deducted from equity. The share transactions were financed by internally generated funds and the average price paid for the shares was RM0.75 (2016: RM0.86) per share. The repurchased shares are held as treasury shares in accordance with Section 127(4)(b) of the Companies Act, 2016.

As at 30 April 2017, the Company held a total of 4,848,000 (2016: 3,830,500) ordinary shares as treasury shares out of its issued and paid-up share capital of 727,821,313 ordinary shares. Such treasury shares are held at carrying amount of RM4,272,596 (2016: RM3,509,514).

The Company has a right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

Restricted shares grant ("RSG") reserve

	The Group and the Company			
	No. of shares		RM	
	2017	2016	2017	2016
Balance at beginning of year	3,275,000	7,800,000	3,110,234	8,125,549
Repurchase of RSG shares	712,000	2,100,000	555,553	1,962,420
	3,987,000	9,900,000	3,665,787	10,087,969
Vesting of RSG shares	(3,683,000)	(6,625,000)	(3,427,357)	(6,977,735)
Balance at end of year	304,000	3,275,000	238,430	3,110,234

29. SHARE CAPITAL AND RESERVES (Cont'd)

Restricted shares grant ("RSG") reserve (Cont'd)

As of 30 April 2017, the Company has repurchased a total of 10,612,000 of its issued ordinary shares from the open market at an average price of RM1.00 per share. These shares are being held in trust by the Company and recorded as restricted shares grant ("RSG") reserve for the purpose of granting restricted shares to eligible employees in the future. The first and second tranches of RSG under ESS scheme totalling 10,308,000 shares have been vested and awarded to a selected group of eligible employees as of 30 April 2017. The balance shares held in trust by the Company as at 30 April 2017 is amounted to 304,000 shares at an average price of RM0.78 per share.

30. RETAINED EARNINGS

At the end of the reporting period, the entire retained earnings of the Company is available for distribution as dividends under the single-tier income tax system.

31. LONG-TERM LIABILITIES

		The Group		The Company	
	Note	2017 RM	2016 RM	2017 RM	2016 RM
Secured:					
Term loans	(a)	142,883,283	235,316,544	37,300,000	-
Hire-purchase and lease payables	(b)	797,678	1,198,907	-	-
		143,680,961	236,515,451	37,300,000	-
Unsecured:					
Revolving credit	(c)	96,250,000	-	96,250,000	-
Term loans	(a)	-	14,093,886	-	-
		239,930,961	250,609,337	133,550,000	-

(a) Term loans

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Amount repayable	206,926,247	264,788,451	37,300,000	6,500,000
Due within 1 year (Note 34)	(64,042,964)	(15,378,021)	-	(6,500,000)
Long-term portion	142,883,283	249,410,430	37,300,000	-
The long-term portion of the loans are repayable as follows:				
More than 1 year and less than 2 years	39,637,500	204,346,300	4,662,500	-
More than 2 years and less than 5 years	86,398,867	25,767,214	32,637,500	-
More than 5 years	16,846,916	19,296,916	-	-
	142,883,283	249,410,430	37,300,000	-

As of 30 April 2017, the Group has credit facilities issued under Shariah Principles amounting to RM Nil (2016: RM78,000,000), which were obtained from licensed financial institutions.

31. LONG-TERM LIABILITIES (Cont'd)

(a) Term loans (Cont'd)

The abovementioned term loans and other credit facilities were secured by way of the following:

(a) the respective subsidiary companies' stamped facility agreements;

(b) fixed charges over certain investment properties of subsidiary companies as disclosed in Note 15;

(c) first party legal charge over 2 parcels of freehold land of subsidiary companies held for property development as disclosed in Note 16;

(d) first party legal charge over certain parcels of leasehold land of subsidiary companies held for property development as disclosed in Note 16;

(e) a fixed and floating charge by way of a debenture on subsidiary companies' present and future assets;

(f) assignment of sales proceeds arising from sale of development properties of certain subsidiary companies;

(g) assignment of all monies in the Housing Development Accounts of certain subsidiary companies, subject to the provisions of the Housing Development Account Regulations 1991;

(h) assignment of future rental or lease proceeds on development properties of certain subsidiary companies;

(i) first party legal charge over certain building and improvements of subsidiary companies as disclosed in Note 13; and

(j) legal assignment of a subsidiary company's interest under the Joint Venture Agreement ("JVA") with a third party over a parcel of land held for property development as disclosed in Note 16.

(b) Hire-purchase and lease payables

	The Group	
	2017 RM	**2016 RM**
Minimum lease payments:		
Not later than one year	455,405	546,445
Later than 1 year but not later than 5 years	840,903	1,296,308
	1,296,308	1,842,753
Future finance charges	(97,401)	(175,846)
Present value of hire-purchase and lease liabilities	1,198,907	1,666,907
Present value of hire-purchase and lease liabilities:		
Not later than 1 year	401,229	468,000
More than 1 year and less than 2 years	408,328	401,229
More than 2 years and less than 5 years	389,350	797,678
	1,198,907	1,666,907
Analysed as follows:		
Due within 12 months (shown under current liabilities)	401,229	468,000
Due after 12 months	797,678	1,198,907
	1,198,907	1,666,907

31. LONG-TERM LIABILITIES (Cont'd)

(b) Hire-purchase and lease payables (Cont'd)

The hire-purchase and lease payables of the Group bear interest at rates ranging from 2.5% to 7.6% (2016: 2.5% to 7.5%) per annum. Interest rates are fixed at the inception of the hire-purchase and lease arrangements.

The Group's hire-purchase and lease payables are secured by the financial institutions' charge over the assets under hire-purchases/leases.

(c) Revolving credits

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Secured:				
Amount repayable	102,226,147	71,714,655	25,200,000	-
Due within 1 year (Note 34)	(102,226,147)	(71,714,655)	(25,200,000)	-
Long-term portion	-	-	-	-
Unsecured:				
Amount repayable	220,000,000	192,700,000	220,000,000	192,700,000
Due within 1 year (Note 34)	(123,750,000)	(192,700,000)	(123,750,000)	(192,700,000)
Long-term portion	96,250,000	-	96,250,000	-

Securities pledged in respect of revolving credits are disclosed in Note 34.

32. TRADE PAYABLES

Included in the Group's trade payables are retention sums of RM42,545,762 (2016: RM48,774,704) payable to subcontractors.

The normal credit terms granted to the Group range from 1 to 60 days (2016: 1 to 60 days).

33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS

Other payables and accrued expenses comprise:

		The Group		The Company	
	Note	2017 RM	2016 RM	2017 RM	2016 RM
Accrued land lease extension and conversion premium	(a)	64,267,100	-	-	-
Other accrued expenses		23,693,775	22,293,871	39,486	29,587
Other payables	(b)	12,387,576	21,905,048	775,959	941,759
Deposits received from purchasers and tenants		11,170,278	11,984,355	76,250	76,250
Land cost payable (Note 23)		2,454,736	2,454,736	-	-
Accrued interest expense		840,083	600,645	840,083	600,645
Deferred income on disposal of vacant land (Note 16)		-	109,196,208	-	-
		114,813,548	168,434,863	1,731,778	1,648,241

33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (Cont'd)

Provisions comprise:

	Note	The Group 2017 RM	The Group 2016 RM	The Company 2017 RM	The Company 2016 RM
Provision for affordable housing obligations	(c)	24,998,628	36,528,000	-	-
Provision for release of bumiputra quota [Note 9(a)]		17,796,007	-	-	-
Provision for liquidated ascertained damages payable to purchasers	(d)	664,103	24,512,310	-	-
		43,458,738	61,040,310	-	-

(a) Accrued land lease extension and conversion premium

During the current year, a subsidiary company received approval from the Land office to extend the lease period of its leasehold development land and to convert certain parcels of the said development land in accordance with its development plan. The additional premium payable therefrom has been accrued for accordingly.

(b) Other payables

Other payables comprise amounts outstanding for ongoing costs and operating expenses payable.

Included in other payables of the Group and the Company is an amount due to KJ Leisure Sdn. Bhd., a company in which certain directors of the Company have interest of RM158,066 and RM47,562 (2016: RM103,670 and RM47,562), respectively. The said amount, which mainly arose from payment on behalf, is interest-free, unsecured and repayable on demand.

(c) Provision for affordable housing obligations

The Malaysian Institute of Accountants (MIA) issued Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 17 on Development of Affordable Housing on 24 November 2011. It recommends that the estimated amount of shortfall relating to affordable housing obligations be recognised as a provision. The recognition of such provision would result in the recognition of a corresponding asset in the form of common costs in the development of premium housing as included in Note 23 on Property Development Costs.

Movement of the provision for affordable housing obligations is as follows:

	The Group 2017 RM	The Group 2016 RM
At beginning of year	36,528,000	-
Provision no longer required	(11,529,372)	-
Provision made during the year	-	36,528,000
At end of year	24,998,628	36,528,000

During the current year, a subsidiary company received approval from the State Housing and Real Estate Authority to convert its affordable housing obligations to the Rumah Selangorku Scheme. Following this, the said subsidiary company's provision for affordable housing obligations has been revised accordingly.

33. OTHER PAYABLES AND ACCRUED EXPENSES AND PROVISIONS (Cont'd)

(d) Provision for liquidated ascertained damages ("LAD") payable to purchasers

Provision for liquidated ascertained damages ("LAD") is recognised for expected LAD claims based on the terms of the applicable sale and purchase agreements.

Movement of the provision for LAD is as follows:

	The Group	
	2017 RM	**2016 RM**
At beginning of year	24,512,310	-
Provision made during the year [Note 9(a)]	1,311,613	24,512,310
Payments made during the year	(25,159,820)	-
At end of year	664,103	24,512,310

34. BORROWINGS

	The Group		The Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Short-Term Borrowings				
Secured:				
Revolving credits [Note 31(c)]	102,226,147	71,714,655	25,200,000	-
Term loans [Note 31(a)]	64,042,964	8,878,021	-	-
	166,269,111	80,592,676	25,200,000	-
Unsecured:				
Revolving credits [Note 31(c)]	123,750,000	192,700,000	123,750,000	192,700,000
Term loans [Note 31(a)]	-	6,500,000	-	6,500,000
	123,750,000	199,200,000	123,750,000	199,200,000
	290,019,111	279,792,676	148,950,000	199,200,000

The weighted average effective interest rates per annum at the end of the reporting period for borrowings are as follows:

	The Group		The Company	
	2017 %	**2016 %**	**2017 %**	**2016 %**
Term loans	5.0	5.2	4.8	4.8
Revolving credits	5.0	5.3	5.0	5.0

The revolving credits of the Group and of the Company are secured by fixed charges over certain investment properties of subsidiary companies and debentures over the assets of a subsidiary company as disclosed in Note 15 and Note 22 respectively.

Certain revolving credits of the Company and its subsidiary companies are secured by first legal charges over certain property development projects of certain subsidiary companies and fixed charges over certain investment properties of certain subsidiary companies of the Group as disclosed in Note 23 and Note 15 respectively.

35. CORPORATE GUARANTEES

The Company has provided corporate guarantees to certain financial institutions pertaining to the banking facilities utilised by its subsidiary companies as of 30 April 2017.

The total amount of corporate guarantees provided by the Company for the abovementioned facilities amounted to RM696,975,000 (2016: RM743,921,000). The financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies as disclosed in Note 31.

36. CAPITAL COMMITMENTS

As of the end of reporting period, the Group and the Company have the following capital commitments:

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Purchase of land held for property development	-	6,950,945	-	-

37. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the financial statements, the related parties and their relationship with the Company and its subsidiary companies are as follows:

Name of related parties		Relationship
Tan Sri Dato' Mohamed Mansor bin Fateh Din Datuk Fong Loong Tuck Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	))))	Director of the Company
Fara Inez binti Tan Sri Dato' Mohamed Mansor	)	Daughter to the director of the Company
KJ Leisure Sdn. Bhd.	)	A company in which certain directors of the Company have direct interest
Berapit Holdings Sdn. Bhd. Efdiai Sdn. Bhd.	))	A company in which a director of the Company has direct interest and is also director of the company

Significant transactions undertaken on agreed terms and prices by the Group with their related parties during the financial year are as follows:

	2017		2016	
The Group	Amount of Transaction RM	Outstanding Amount RM	Amount of Transaction RM	Outstanding Amount RM
Progress billings of properties sold to a company in which certain directors of the Company have direct interest and are also directors of the Company	2,719,598	-	844,724	-
Progress billings of properties sold to close members of the family of certain directors of the Company	628,323	-	376,994	-
Progress billings of properties sold to certain directors of the Company	499,732	-	499,732	-
Acquisition of 50% equity interest in Precious Quest Sdn. Bhd. (Note 17) from a close member of the family of a director of the company	-	-	10,985,995	-

37. RELATED PARTY TRANSACTIONS (Cont'd)

Compensation of key management personnel

	The Group		The Company	
	2017	**2016**	**2017**	**2016**
Directors	**RM**	**RM**	**RM**	**RM**
Salaries and other emoluments	5,216,736	5,565,849	201,000	217,750
Directors' fees	230,000	218,000	230,000	218,000
Benefits-in-kind	96,600	105,600	96,600	30,600
Total short-term employment benefits	5,543,336	5,889,449	527,600	466,350
Share-based payments	948,040	2,763,486	948,040	1,713,884
Post employment benefits:				
EPF	714,440	647,534	29,400	28,770
	7,205,816	9,300,469	1,505,040	2,209,004
Other key management personnel				
Salaries and other emoluments	7,591,028	7,153,678	419,916	2,090,617
Benefits-in-kind	32,200	7,200	-	7,200
Total short-term employment benefits	7,623,228	7,160,878	419,916	2,097,817
Share-based payments	2,732,887	3,433,716	1,056,540	2,129,552
Post employment benefits:				
EPF	973,701	736,626	50,344	234,074
	11,329,816	11,331,220	1,526,800	4,461,443
Total Compensation	18,535,632	20,631,689	3,031,840	6,670,447

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly.

38. SHARE-BASED PAYMENTS

The Employees' Share Scheme ("ESS") of the Company is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 24 October 2013. The ESS was implemented on 31 March 2014 and will be in force for a maximum period of 7 years from the effective date.

The maximum number of the Company's shares under the ESS should not exceed in aggregate 8% of the issued and paid-up share capital (excluding treasury shares) of the Company at any point of time during the duration of the scheme period. Other principal features of the ESS are as follows:

(i) The employees eligible to participate in the ESS must be employed on a full time basis and on the payroll of any corporation in the Group and has not served a notice of resignation or received a notice of termination and is confirmed in service;

(ii) The entitlement under the ESS for the Executive Directors, including any person connected to the directors is subject to the approval of the shareholders of the Company in a general meeting;

38. SHARE-BASED PAYMENTS (Cont'd)

(iii) The ESS comprises 2 schemes, i.e. Employees' Share Option Scheme ("ESOS") and Restricted Share Grant ("RSG").

Key features of the ESOS are as follows:

(a) The maximum number of the Company's new shares pursuant to the ESOS should not exceed 4% of the issued and paid-up share capital (excluding treasury shares) of the Company.

(b) Under the ESOS award, the Company may from time to time within the offer period, offer to eligible employees a certain number of options at the offer date, subject to the acceptance of the participants. The participants will be granted the ESOS options which can then be exercised within a period of up to 5 years to subscribe for fully paid-up ordinary shares in the Company, provided all the conditions are duly and fully satisfied.

(c) The subscription price of the ESOS shall be at the Volume Weighted Average Market Price ("VWAMP") of the Company's shares for the 5 market days immediately preceding the offer date with a potential discount of not more than 10% or any other limit in accordance with any prevailing guidelines issued by Bursa Securities or any other relevant authorities as may be amended from time to time, or at the par value of the shares (or such other par value as may be permitted by the Companies Act), whichever is higher.

Key features of the RSG award are as follows:

(a) The maximum number of the Company existing shares pursuant to RSG should not exceed 4% of the existing issued and paid-up share capital (excluding treasury shares) of the Company.

(b) Under the RSG award, the Company may from time to time within the offer period, invite a selected senior management to enter into an agreement with the Company, whereupon the Company shall agree to award the scheme shares to the participants, subject to fulfilling the relevant service and performance objectives and provided all the performance-related conditions are duly and fully satisfied. The scheme shares as specified in the RSG award will only vest based on a 2 year cliff vesting schedule, provided all the RSG vesting conditions are duly and fully satisfied.

(c) The RSG grant price for each underlying shares will be based on the fair value of the Company's shares with no entitlement to any discount, after taking into account among others, the VWAMP of the Company's shares for the 5 market days immediately preceding the RSG grant date.

(iv) The Company may terminate the ESS at any time during the duration of the scheme subject to:

(a) consent of the Company's shareholders at a general meeting, wherein at least a majority of the shareholders, present and voting, vote in favor of the termination; and

(b) written consent of all scheme participants who have yet to exercise their ESOS options either in part or in whole, and all scheme participants whose RSG Agreements are still subsisting.

Upon termination of the ESS, all unexercised ESS and/or unvested RSG shall be deemed to have been cancelled and be null and void.

The outstanding number of share options under ESOS as of 30 April 2017 are as follows:

Options Series	Number	Grant date	Expiry date	Exercise price RM	Fair value at grant date RM
Grant 1	8,611,000	2.5.2014	2.1.2019	1.00	0.23
Grant 2	4,531,000	2.1.2015	4.1.2020	0.91	0.24
Grant 3	7,212,000	4.1.2016	2.1.2021	0.79	0.21

38. SHARE-BASED PAYMENTS (Cont'd)

The outstanding number of shares under RSG during the financial year are as follows:

Series	Number	Grant date	Expiry date	Exercise price RM	Fair value at grant date RM
Grant 3	4,298,000	4.1.2016	2.1.2018	-	0.78
Grant 4	3,693,000	3.1.2017	2.1.2019	-	0.61

Fair value of ESOS and RSG granted in the year

Fair value of ESOS and RSG are computed using the Monte Carlo Fair Valuation model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. Expected volatility for ESOS and RSG is based on the historical annualised 5 years and 2 years volatility measured monthly, respectively.

Summarised information of unexpired share options as of 30 April 2017:

Inputs into the model	Grant 1	ESOS Grant 2	Grant 3	RSG Grant 3	Grant 4
Grant date share price (RM)	1.09	0.98	0.87	0.87	0.69
Exercise price (RM)	1.00	0.91	0.79	-	-
Expected volatility (%)	26.75	26.56	27.36	25.18	22.18
Option life	5 years	5 years	5 years	2 years	2 years
Dividend yield (%)	5.96	5.00	4.89	4.89	5.80
Risk-free interest rate (%)	3.58	3.83	3.46	3.27	3.43

39. SEGMENTAL INFORMATION

(a) Business Segments

The Group is organised into three areas of businesses:

(i) Property development - the development of residential land commercial properties for sale and sale of land

(ii) Construction - the construction of buildings

(iii) Property investment - the investment of land and buildings held for investment potential and rental income in future

Other business segments include investment holding which are not separately reported as the segment's operations are not material to the Group.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Management has determined the operating segments based on the reports viewed by the Chief Executive Officer (the chief operating decision-maker) for the purpose of resources allocation and assessment of segment performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate income, expenses, assets and liabilities.

(b) Geographical Segments

The Group operates and derives its income in Malaysia. Accordingly, the financial information by geographical segment has not been presented.

39. SEGMENTAL INFORMATION (Cont'd)

	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
2017						
REVENUE						
External revenue	561,216,989	-	19,751,140	3,112,929	-	584,081,058
Inter-segment revenue	-	101,577,123	2,165,353	11,644,255	(115,386,731)	-
Total revenue	561,216,989	101,577,123	21,916,493	14,757,184	(115,386,731)	584,081,058
RESULTS						
Segment results	166,697,671	5,117,169	(3,432,523)	(72,026)	(5,117,169)	163,193,122
Unallocated corporate expenses						(10,896,217)
Operating profit						152,296,905
Government grant income						26,280,471
Fair value gain on investment properties						276,400
Interest income						9,309,558
Share of profit of associated companies						1,824,541
Finance costs						(20,243,505)
Income tax expense						(60,535,115)
Profit for the year						109,209,255
ASSETS						
Segment assets	1,434,136,642	46,393,411	367,648,746	28,179,323	-	1,876,358,122
Investment in associated companies	33,762,113	-	140	-	-	33,762,253
Unallocated corporate assets						55,707,227
Consolidated total assets						1,965,827,602
LIABILITIES						
Segment liabilities	425,946,487	13,015,788	108,929,056	523,518	-	548,414,849
Unallocated corporate liabilities						292,423,477
Consolidated total liabilities						840,838,326

39. SEGMENTAL INFORMATION (Cont'd)

	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
2017						
OTHER INFORMATION						
Capital expenditure	191,808	5,746	1,033,999	39,161	-	1,270,714
Non-cash expenses						
Provision for release of bumiputra quota	17,796,007	-	-	-	-	17,796,007
Depreciation and amortisation	907,461	90,027	469,039	2,183,841	-	3,650,368
Write down of liquidated ascertained damages not recoverable	2,683,600	-	-	-	-	2,683,600
Provision for liquidated ascertained damages to purchasers	1,311,613	-	-	-	-	1,311,613
Allowance for doubtful debts	-	-	148,233	-	-	148,233
Non-cash income						
Allowance for foreseeable losses on property development no longer required	(2,516,271)	-	-	-	-	(2,516,271)
Fair value gain on investment properties	-	-	(276,400)	-	-	(276,400)
2016						
REVENUE						
External revenue	601,048,251	-	12,625,327	2,929,876	-	616,603,454
Inter-segment revenue	-	115,275,456	2,449,824	14,494,729	(132,220,009)	-
Total revenue	601,048,251	115,275,456	15,075,151	17,424,605	(132,220,009)	616,603,454
RESULTS						
Segment results	119,837,037	4,133,666	(1,863,740)	16,410,867	(4,137,159)	134,380,671
Unallocated corporate expenses						(15,247,029)
Operating profit						119,133,642
Fair value gain on investment properties						12,105,766
Interest income						7,535,160
Share of profit of associated companies						2,988,518
Finance costs						(19,356,290)
Income tax expense						(36,747,293)
Profit for the year						85,659,503

39. SEGMENTAL INFORMATION (Cont'd)

	Property Development RM	Construction RM	Property Investment RM	Other Operations RM	Eliminations RM	Consolidated RM
2016						
ASSETS						
Segment assets	783,613,710	28,071,444	358,161,059	283,583,011	-	1,453,429,224
Investment in associated companies	31,937,572	-	140	-	-	31,937,712
Unallocated corporate assets						495,962,761
Consolidated total assets						1,981,329,697
LIABILITIES						
Segment liabilities	407,822,830	17,928,722	131,562,694	144,467,124	-	701,781,370
Unallocated corporate liabilities						228,284,632
Consolidated total liabilities						930,066,002
OTHER INFORMATION						
Capital expenditure	927,914	125,313	654,094	161,684	-	1,869,005
Non-cash expenses						
Provision for liquidated ascertained damages to purchasers	24,512,310	-	-	-	-	24,512,310
Allowance for foreseeable loss on property development	9,865,552	-	-	-	-	9,865,552
Depreciation and amortisation	847,675	89,938	417,070	2,396,185	-	3,750,868
Non-cash income						
Fair value gain on investment properties	-	-	(12,105,766)	-	-	(12,105,766)
Gain on disposal of property, plant and equipment	(40,239)	-	-	-	-	(40,239)

40. FINANCIAL INSTRUMENTS

(i) Capital risk management

The Group and the Company manage its capital to ensure that it will be able to continue as a going-concern while maximising returns to the shareholders through the optimisation of debt and equity balance. The Group's and the Company's overall strategy remain unchanged from 2016.

The Group and the Company did not engage in any transaction involving financial derivative instruments during the financial year.

The Group's and the Company's risk management committee reviews the capital structure of the Group and the Company on a regular basis. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. No changes were made in the objectives, policies or processes during the financial year ended 30 April 2017.

40. FINANCIAL INSTRUMENTS (Cont'd)

(i) Capital risk management (Cont'd)

Gearing ratio

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

	The Group		The Company	
	2017	**2016**	**2017**	**2016**
	RM	**RM**	**RM**	**RM**
Debts	530,351,301	530,870,013	282,500,000	199,200,000
Deposits, cash and bank balances	(307,751,466)	(263,769,608)	(43,021,808)	(10,078,689)
Net debt	222,599,835	267,100,405	239,478,192	189,121,311
Equity	1,124,989,276	1,051,263,695	735,071,540	651,723,812
Net debt to equity ratio	20%	25%	33%	29%

Debt is defined as long and short-term borrowings, as described in Note 31 and 34.

Equity includes all capital and reserves of the Group and the Company that are managed as capital.

Significant Accounting Policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition and the bases of measurement) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

Categories of Financial Instruments

	The Group		The Company	
	2017	**2016**	**2017**	**2016**
	RM	**RM**	**RM**	**RM**
Financial assets				
Loans and Receivables				
Trade receivables	150,107,754	113,039,465	-	-
Other receivables	31,617,625	31,459,342	4,728,979	6,142,924
Amount due from subsidiary companies	-	-	526,152,696	442,030,907
Deposit, cash and bank balances	307,751,466	263,769,608	43,021,808	10,078,689
Available-for-sale				
Other investments	4,000,000	4,000,000	-	-

40. FINANCIAL INSTRUMENTS (Cont'd)

(i) Capital risk management (Cont'd)

Categories of Financial Instruments (Cont'd)

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Financial liabilities				
Other financial liabilities				
Debts:				
Term loans	206,926,247	264,788,451	37,300,000	6,500,000
Revolving credits	322,226,147	264,414,655	245,200,000	192,700,000
Hire-purchase and lease payables	1,198,907	1,666,907	-	-
	530,351,301	530,870,013	282,500,000	199,200,000
Trade payables	126,212,459	138,429,471	-	3,234
Accrued expenses	88,800,958	22,894,516	879,569	630,232
Provision for release of bumiputra quota	17,796,007	-	-	-
Provision for liquidated damages payable to purchasers	664,103	24,512,310	-	-
Other payables	12,387,576	21,905,048	775,959	941,759
Deposits received from tenants	2,683,937	1,862,285	76,250	76,250
Land cost payable	2,454,736	2,454,736	-	-
Amount due to subsidiary companies	-	-	91,208,372	139,043,712
Dividend payable	10,844,597	14,479,998	10,844,597	14,479,998

(ii) Financial Risk Management Objectives

The operations of the Group are subject to a variety of financial risks, including credit risk, interest rate risk, foreign currency risk and liquidity risk.

The Group has formulated a financial risk management framework whose principal objective is to minimise the Group's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group.

Financial risk management is carried out through risk reviews, internal control systems and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

(iii) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group.

The Group is exposed to credit risk mainly from its customer base, including trade receivables. The Group extends credit to its customers based upon careful evaluation of the customer's financial condition and credit history. Trade receivables are monitored on an ongoing basis by the Group's credit control department.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other receivables, deposits with licensed bank and cash and bank balances.

The Company's maximum exposure to credit risk also includes amount due from subsidiary companies.

The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk, without taking into account collateral or other credit enhancements held.

40. FINANCIAL INSTRUMENTS (Cont'd)

(iv) Interest Rate Risk Management

The Group and the Company are exposed to interest rate risk through the impact of rate changes on interest-bearing deposits, hire-purchase and lease payables and borrowings.

The Group's and the Company's exposure to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate exposure is measured using sensitivity analysis as disclosed below:

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 30 April 2017 would decrease/increase by RM2,645,762 (2016: RM2,646,016). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

The Group's sensitivity to interest rates has increased during the current period mainly due to the increased in variable rate debt instruments.

(v) Foreign Currency Risk Management

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The carrying amounts of the Group's and of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	The Group		The Company	
	2017 RM	2016 RM	2017 RM	2016 RM
Assets				
Australian Dollar (AUD)	1,925,458	346,131	-	-
Liabilities				
Australian Dollar (AUD)	357,435	33,694	863,943	9,858,848

Foreign currency sensitivity analysis

The Group is mainly exposed to the Australian Dollar.

The following table details the Group's sensitivity to a 10% increase and decrease in the RM against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans from/to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

40. FINANCIAL INSTRUMENTS (Cont'd)

(v) Foreign Currency Risk Management (Cont'd)

	The Group Profit or loss		The Company Profit or loss	
	2017 RM	2016 RM	2017 RM	2016 RM
Impact of AUD	156,802	31,244	(86,394)	(985,885)

The above is attributable to the exposure outstanding on AUD denominated bank balances and payables in the Group at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year-end exposure does not reflect the exposure during the year. During the financial year, no other transaction denominated in foreign currency was undertaken by the Group.

(vi) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Liquidity and interest risk table

The Group 30 April 2017	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
Non-interest bearing	-	254,380,014	7,391,819	72,540	-	261,844,373
Hire-purchase and finance lease liability	5.06	443,015	436,484	416,809	-	1,296,308
Variable interest rate instruments	5.28	304,804,335	51,023,296	171,421,629	16,846,931	544,096,191
Financial guarantee*	-	-	-	-	-	-

The Company 30 April 2017	Weighted average effective interest rate per annum %	Less than 1 year RM	1 - 2 years RM	2 - 5 years RM	5+ years RM	Total RM
Non-interest bearing	-	12,575,646	-	-	-	12,575,646
Variable interest rate instruments	4.85	252,344,182	15,949,930	117,650,921	-	385,945,033
Financial guarantee*	-	-	-	-	-	-

40. FINANCIAL INSTRUMENTS (Cont'd)

(vi) Liquidity Risk Management (Cont'd)

Liquidity and interest risk table **(Cont'd)**

The Group 30 April 2016	**Weighted average effective interest rate per annum %**	**Less than 1 year RM**	**1 - 2 years RM**	**2 - 5 years RM**	**5+ years RM**	**Total RM**
Non-interest bearing	-	226,538,364	-	-	-	226,538,364
Hire-purchase and finance lease liability	5.00	546,445	466,254	830,054	-	1,842,753
Variable interest rate instruments	5.55	295,577,578	214,038,327	17,701,598	19,296,934	546,614,437
Financial guarantee*	-	-	-	-	-	-

The Company 30 April 2016	**Weighted average effective interest rate per annum %**	**Less than 1 year RM**	**1 - 2 years RM**	**2 - 5 years RM**	**5+ years RM**	**Total RM**
Non-interest bearing	-	16,131,473	-	-	-	16,131,473
Variable interest rate instruments	4.85	370,936,181	-	-	-	370,936,181
Financial guarantee*	-	-	-	-	-	-

* Based on management's assessment, it is not probable that the counterparties to financial guarantee contracts will claim under the contracts. Consequently, the amount included above is nil.

Fair Value of Financial Instruments

The directors consider the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements to approximate their fair values due to the relatively short-term maturity period of the financial instruments or exposure to floating interest rates, except as follows:

	The Group		**The Company**	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Financial assets				
Available-for-sale				
Other investments	4,000,000	4,000,000	-	-

It is not practical to estimate the fair value of unquoted investments of the Group due to a lack of quoted market prices and information necessary to estimate future cash flows.

41. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation, as follows:

	As previously stated RM	Reclassification RM	As reclassified RM
Statement of financial position as of 30 April 2016			
Trade receivables	57,026,197	56,013,268	113,039,465
Other receivables	76,987,341	(44,881,515)	32,105,826
Inventories	120,058,339	36,197,077	156,255,416
Non-current asset held for sale	36,197,077	(36,197,077)	-
Other payables and accrued expenses	218,343,420	(49,908,557)	168,434,863
Provisions	-	61,040,310	61,040,310

42. SUBSIDIARY AND ASSOCIATED COMPANIES

Name of company	Proportion of ownership interest and voting power held by the Group 2017 %	2016 %	Principal Activities
Subsidiary companies			
Incorporated in Malaysia			
Anugerah Armada Sdn. Bhd.#	100	100	Property development and investment
Bangi Integrated Corporation Sdn. Bhd.	100	100	Property investment
Berapit Development Sdn. Bhd.#	100	100	Dormant
BH Interiors Sdn. Bhd. #	100	100	Dormant
Dunia Heights Sdn. Bhd. #	100	100	Property development and investment
Elmina Equestrian Centre (Malaysia) Sdn. Bhd. #	100	100	Property development and investment
Glomac Alliance Sdn. Bhd.	100	100	Property development and investment
Glomac Consolidated Sdn. Bhd. #	100	100	Property development and investment
Glomac City Sdn. Bhd. #	100	100	Property investment
Glomac Damansara Sdn. Bhd.	100	100	Property development and investment
Glomac Enterprise Sdn. Bhd.	100	100	Property development and investment holding
Glomac Group Management Services Sdn. Bhd. #	100	100	Property development, investment holding and project management
Glomac Jaya Sdn. Bhd.	100	100	Property development and investment
Glomac Land Sdn. Bhd. #	100	100	Property development and investment
Glomac Leisure Sdn. Bhd. #	100	100	Dormant
Glomac Maju Sdn. Bhd.	100	100	Property development and investment
Glomac Nusantara Sdn. Bhd. #	100	100	Property investment
Glomac Property Services Sdn. Bhd. #	100	100	Property management
Glomac Rawang Sdn. Bhd.	100	100	Property development and investment

42. SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

Name of company	Proportion of ownership interest and voting power held by the Group 2017 %	2016 %	Principal Activities
Subsidiary companies (Cont'd)			
Glomac Real Estate Sdn. Bhd. #	100	100	Dormant
Glomac Realty Sdn. Bhd. #	100	100	Investment holding
Glomac Regal Sdn. Bhd.	100	100	Property development and investment
Glomac Resources Sdn. Bhd.	100	100	Property development and investment
Glomac Restaurants Sdn. Bhd.*	100	100	Investment holding
Glomac Segar Sdn. Bhd. #	100	100	Property development and investment
Glomac Sutera Sdn. Bhd. #	100	100	Property development and investment
Glomac Vantage Sdn. Bhd.	100	100	Property development and investment
Kelana Centre Point Sdn. Bhd.* #	100	100	Property investment and management
Kelana Seafood Centre Sdn. Bhd.*	100	100	Dormant
Magic Season Sdn. Bhd. #	100	100	Dormant
Magnitud Teknologi Sdn. Bhd. #	100	100	Dormant
OUG Square Sdn. Bhd. #	100	100	Dormant
Precious Quest Sdn. Bhd.	100	100	Property development and investment
Prisma Legacy Sdn. Bhd. *#	100	100	Dormant
Prima Sixteen Sdn. Bhd.*#	100	100	Dormant
Regency Land Sdn. Bhd.	100	100	Property development and investment
Sungai Buloh Country Resort Sdn. Bhd. #	100	100	Dormant
Glomac Thailand Sdn. Bhd. #	100	100	Dormant
Glomac Power Sdn. Bhd. #	85.7	85.7	Investment holding
FDA Sdn. Bhd.	70	70	Property development and investment
Glomac Excel Sdn. Bhd. #	60	60	Dormant
Glomac Utama Sdn. Bhd.	60	60	Investment holding
Prominent Excel Sdn. Bhd. #	60	60	Car park operators and manager
Glomac Al Batha Sdn. Bhd.	51	51	Property development and investment holding
Glomac Al Batha Mutiara Sdn. Bhd. *	51	51	Property development and investment
Glomac Bina Sdn. Bhd.	51	51	Building contractor
Glomac Kristal Sdn. Bhd. #	100	100	Property development and investment
FDM Development Sdn. Bhd.	100	100	Property development and investment
Berapit Properties Sdn. Bhd. #	100	100	Property development and investment
Kelana Property Services Sdn. Bhd. #	100	100	Property management
Berapit Pertiwi Sdn. Bhd. #	100	100	Property investment
Kelana Kualiti Sdn. Bhd. #	100	100	Property development and investment
Glomac Cekap Sdn. Bhd. #	100	100	Dormant
Magical Sterling Sdn. Bhd.	100	100	Property development and investment
Glo Damansara Sdn. Bhd	100	100	Property investment and management

42. SUBSIDIARY AND ASSOCIATED COMPANIES (Cont'd)

Name of company	Proportion of ownership interest and voting power held by the Group 2017 %	2016 %	Principal Activities
Subsidiary companies (Cont'd)			
Incorporated in Australia			
Glomac Australia Pty Ltd. #	100	100	Investment holding
Associated companies			
Incorporated in Malaysia			
PPC Glomac Sdn. Bhd. (held through Glomac Power Sdn. Bhd.) #	30	30	Turnkey contractor
Irama Teguh Sdn. Bhd. (held through PPC Glomac Sdn. Bhd.) #	30	30	Investment holding
Incorporated in Australia			
VIP Glomac Pty. Ltd. (held through Glomac Australia Pty Ltd) #	45.45	45.45	Trustee management

* Interest held through subsidiary companies.
\# The financial statements of these companies are examined by auditors other than the auditors of the Company.

43. SUBSEQUENT EVENTS

(a) On 2 August 2017, the Company announced that it proposed to undertake a bonus issue of up to 74,817,531 Bonus Shares on the basis of one (1) Bonus Share for every ten (10) existing shares held on an entitlement date to be determined and announced later.

(b) On 16 August 2017, a subsidiary company, Glomac Alliance Sdn. Bhd. ("GASB"), received an Amended Writ and Amended Statement of Claim dated 10 August 2017 from a former joint venture ("JV") partner of a property development project ("the Project"). The suit was inter alia based on the JV Agreement dated 17 January 2003, which was subsequently terminated and the underlying Project Land was acquired by GASB from the receiver of the said former JV partner. In the suit dated 10 August 2017, the said former JV partner is claiming for:

(i) A compensation sum of RM107,800,000 for the loss of the Project Land;
(ii) An unspecified amount of loss of expenses of the Project; and
(iii) 22% of gross development value of the Project or a minimum of RM47,000,000, whichever the higher.

In 2011, similar claims were brought up by the said former JV partner in a civil suit whereby it has been struck off by the high court and the court of appeal. GASB will file a Memorandum of Appearance and apply to strike off the suit.

No provision for losses has been made in the financial statements of the Group in respect of this claim given the preliminary stage of the litigation whereby the outcome is not presently determinable.

The case is fixed for case management on 21 August 2017.

SUPPLEMENTARY INFORMATION -

DISCLOSURE ON REALISED AND UNREALISED PROFITS

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraph 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings or accumulated losses as of the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the prescribed format of disclosure.

The breakdown of the retained earnings of the Group and of the Company as of 30 April 2017 into realised and unrealised profits or losses, pursuant to the directive, is as follows:

	The Group		The Company	
	2017 RM	**2016 RM**	**2017 RM**	**2016 RM**
Total retained earnings of the Group and the Company				
Realised	657,317	531,949	310,121	228,705
Unrealised	68,041	100,495	4,181	4,797
Total share of retained profits from associated companies				
Realised	31,452	29,627	-	-
	756,810	662,071	314,302	233,502
Less: Consolidation adjustments	(101,290)	(89,398)	-	-
Total retained earnings as per statements of financial position	655,520	572,673	314,302	233,502

The determination of realised and unrealised profits or losses is based on Guidance of Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements" as issued by the Malaysian Institute of Accountants on 20 December 2010. A charge or credit to the profit or loss of a legal entity is deemed realised when it is resulting from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use. Where a credit or a charge to the profit or loss upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should not be deemed as realised until the consumption of resource could be demonstrated.

This supplementary information has been made solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia Securities Berhad and is not made for any other purposes.

STATEMENT BY
DIRECTORS

The directors of **GLOMAC BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 April 2017 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

The supplementary information set out on page 138, which is not part of the financial statements, is prepared, in all material respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with
a resolution of the Directors,

TAN SRI DATO' MOHAMED MANSOR BIN FATEH DIN

DATUK SERI FATEH ISKANDAR BIN TAN SRI DATO' MOHAMED MANSOR

Kuala Lumpur
16 August 2017

DECLARATION

BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **ONG SHAW CHING** the Officer primarily responsible for the financial management of **GLOMAC BERHAD**, do solemnly and sincerely declare that the accompanying financial statements 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.

ONG SHAW CHING

Subscribed and solemnly declared by the abovenamed **ONG SHAW CHING** at KUALA LUMPUR this 16th day of August, 2017.

Before me,

COMMISSIONER FOR OATHS

LIST OF
PROPERTIES AND DEVELOPMENT PROPERTIES
AS AT 30 APRIL 2017

No	Location	Description of Asset / Existing Use	Tenure	Size	Net Book Value as at 30 Apr 2017 (RM'000)	Date of Acquisition
1	Glo Damansara No. 699 Jalan Damansara 60000 Kuala Lumpur	Retail Mall/ Tenanted	Freehold	352,000 sq. ft.	318,000	8 January 2015
2	HS(D) 112510, PT2063 Mukim Petaling (Puchong)	Land aprroved for mixed development/ vacant	99 years leasehold, expiring 15.06.2088	118.91 acres	217,205	21 January 2011
3	HS (D) 4766 & 4767 Lot 6983 & 6984 Mukim Dengkil Daerah Sepang (Saujana KLIA)	Land held for mixed residential and commercial/ Development in progress	99 years leasehold, expiring 30.12.2058	134.15 acres	130,014	5 November 2012/ 1 June 2012
4	HS (D) 5472 & 5473 Lot P.T. 9147 & 9148 Mukim of Ijok, District of Kuala Selangor (Saujana Perdana)	Land held for mixed residential and commercial/ Vacant	99 years leasehold, expiring 30.07.2100	199.7 acres	127,576	17 Feb 2012
5	Menara Glomac Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur.	Office Building/ Tenanted	Freehold	98,619 sq. ft.	50,788	1 January 2012
6	Lot 2265 & 888, Geran No. 18689 & 20146, Mukim of Kota Tinggi, District of Kota Tinggi (Sri Saujana)	Land approved for mixed housing development/ Development in progress	Freehold	81.73 acres	43,285	25 September 1995
7	Suria Stonor	Luxurious Condominium	Freehold			
	- Glomac Regal Sdn Bhd			30,466 sq. ft.	16,051	26 August 2008
	- Berapit Pertiwi Sdn Bhd Geran 40006 Lot 58 & Geran 33299 Lot 122, Section 63, in the Town and District of Kuala Lumpur.			52,897 sq. ft.	34,228	22 October 2010
8	Geran 90687 Lot 36468, Geran 90688 Lot 36470 & Geran 102858 Lot 36469 Seksyen 40 Bandar Petaling Jaya, Dearah Petaling Negari Selangor (Plaza Kelana Jaya Phase IV)	Land approved for commercial building/ Vacant	Freehold	3.22 acres	33,660	1 April 2008

No	Location	Description of Asset / Existing Use	Tenure	Size	Net Book Value as at 30 Apr 2017 (RM'000)	Date of Acquisition
9	HS (D) 2628 - 2632 and HS (D) 3189 Lot P.T. 2143 -2147 and P.T 2708 Mukim of Ijok, District of Kuala Selangor (Saujana Utama V)	Land held for mixed residential and commercial/ Vacant	99 years leasehold, expiring 24.03.2095	62.5 acres	33,408	14 March 2014
10	HS(D) 135936, Lot PT 1, Pekan Kayu Ara, Daerah Petaling, Negeri Selangor. (Glomac Centro)	Shop Office/Car Park bays/ Serviced Apartment	99 years leasehold, expiring 05.04.2099	56,177 sq. ft. 200 bays	27,344	15 Jun 2016

ANALYSIS OF
SHAREHOLDINGS
AS AT 31 JULY 2017

Issued and Paid-up Shares	: 727,821,313
Class of Shares	: Ordinary Shares
No. of Shareholders	: 6,275
Voting Rights	: One vote per ordinary share

A. Distribution of Shareholdings (less treasury shares)

Size of Holdings	No.of Holders	% of holders	Total Holdings	% of issued Capital
Less than 100	111	1.77	2,908	-
100 – 1,000	460	7.33	281,281	0.040
1,001 – 10,000	4,149	66.12	18,812,720	2.602
10,001 – 100,000	1,321	21.05	40,727,500	5.633
100,001 < 5% of issued shares	230	3.67	311,748,438	43.120
5% and above of issued shares	4	0.06	351,400,466	48.605
Total	**6,275**	**100.00**	**722,973,313**	**100.00**

B. List of Thirty (30) Largest Shareholders

	Name of Shareholders	No. of Shares	*%
1.	Mohamed Mansor bin Fateh Din	146,267,198	20.23
2.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank for Fateh Iskandar bin Mohamed Mansor(MY0399)	90,331,088	12.49
3.	Lembaga Tabung Haji	72,782,100	10.07
4.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank for Fong Loong Tuck (MM0886)	42,020,080	5.81
5.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	28,458,200	3.94
6.	Fong Loong Tuck	26,969,416	3.73
7.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Fateh Iskandar bin Mohamed Mansor (PB)	25,679,512	3.55
8.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Loong Tuck (CEB)	20,000,000	2.77
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Loong Tuck (8037502)	17,800,000	2.46
10.	Amanahraya Trustees Berhad Public Smallcap Fund	16,418,100	2.27

B. List of Thirty (30) Largest Shareholders (cont'd)

	Name of Shareholders	No. of Shares	*%
11.	Citigroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Loong Tuck (473234)	10,126,000	1.40
12.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Al-Fauzan (5170)	7,923,800	1.10
13.	Kumpulan Wang Persaraan (Diperbadankan)	7,901,100	1.09
14.	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank AG Singapore for Yeoman 3-rights Value Asia Fund (PTSL)	7,000,000	0.97
15.	Citigroup Nominees (Asing) Sdn Bhd CBNY For Dimensional Emerging Markets Value Fund	6,061,500	0.84
16.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Dividend Fund (5311-401)	4,785,600	0.66
17.	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	4,745,000	0.66
18.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Manulife Investment Al-Faid (4389)	4,689,600	0.65
19.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	3,530,400	0.49
20.	Fara Eliza Binti Mohamed Mansor	3,404,000	0.47
21.	Chuah Theong Yee	3,255,300	0.45
22.	Fara Inez Binti Mohamed Mansor	3,200,000	0.44
23.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT FUND SD4N for Government of The Province of Alberta	3,029,900	0.42
24.	Carrie Fong Kah Wai	3,000,000	0.42
25.	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	2,974,600	0.41
26.	Citigroup Nominees (Asing) Sdn Bhd CBNY for DFA Emerging Markets Small Cap Series	2,854,800	0.39
27.	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Bhd for BIMB I Dividend Fund	2,656,600	0.37
28.	AMSEC Nominees (Asing) Sdn Bhd KGI Securities (Singapore) Pte. Ltd. For Lee Chee Seng (80227)	2,592,000	0.36
29.	HSBC Nominees (Asing) Sdn Bhd TNTC for LSV Emerging Markets Small Cap Equity Fund, LP	2,536,700	0.35
30.	Lim Pei Tiam @ Liam Ahat Kiat	2,463,000	0.34
	Total	**575,455,594**	**79.58**

Note:
* *percentage calculated excluding treasury shares*

C. Substantial Shareholders (as per the Register of Substantial Shareholders)

	Name of Substantial Shareholders	No. of Shares Held			
		Direct	%*	Indirect	%*
1.	Tan Sri Dato' Mohamed Mansor bin Fateh Din	146,267,198	20.23	116,010,600#	16.05
2.	Datuk Fong Loong Tuck	118,123,096#	16.34	-	-
3.	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	116,010,600#	16.05	146,267,198	20.23
4.	Lembaga Tabung Haji	74,343,500#	10.28	-	-

D. Directors' Shareholdings (as per the Register of Directors)

	Name of Directors	No. of Shares Held			
		Direct	%*	Indirect	%*
1.	Tan Sri Dato' Mohamed Mansor bin Fateh Din	146,267,198	20.23	116,010,600#	16.05
2.	Datuk Fong Loong Tuck	118,123,096#	16.34	-	-
3.	Datuk Seri Fateh Iskandar bin Tan Sri Dato' Mohamed Mansor	116,010,600#	16.05	146,264,198	20.23
4.	Dato' Ikhwan Salim bin Dato' Hj Sujak	20,800	-	-	-
5.	Datuk Ali bin Tan Sri Abdul Kadir	1,830,000#	0.25	-	-
6.	General Tan Sri Abdul Aziz bin Zainal (R)	-	-	-	-
7.	Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim	-	-	-	-
8.	Ms Shan Choo	-	-	-	-
9.	Datuk Seri Johan bin Abdullah (Alternate Director to YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim)	-	-	-	-

Notes:
* *percentage calculated excluding treasury shares*
\# *including shares held by nominee companies*

NOTICE OF 33RD

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 33rd Annual General Meeting ("33rd AGM") of Glomac Berhad ("Glomac" or "Company") will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 27 September 2017 at 11.00 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 April 2017 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note A)**

2. To approve a final single tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 30 April 2017. **Resolution 1**

3. To approve the payment of Directors' Remuneration of RM6,262,240.00 for the financial year ended 30 April 2017. **Resolution 2**

4. To approve the payment of Directors' Remuneration of up to RM6,500,000.00 for the financial year ending 30 April 2018. **Resolution 3**

5. To re-elect the following Directors who retire in accordance with Article 82 of the Company's Constitution, and being eligible offer themselves for re-election:

   (i) Datuk Seri Johan bin Abdullah; and **Resolution 4**
   (ii) Ms Shan Choo. **Resolution 5**

6. To re-elect the following Directors who retire in accordance with Article 84 of the Company's Constitution, and being eligible offer themselves for re-election:

   (i) Datuk Ali bin Tan Sri Abdul Kadir; and **Resolution 6**
   (ii) YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim. **Resolution 7**

7. To re-appoint Messrs Deloitte PLT (AF 0080) as the Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 8**

AS SPECIAL BUSINESS

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

8. **Proposed re-appointment of Tan Sri Dato' Mohamed Mansor bin Fateh Din whose term of office expires at the conclusion of the 33rd AGM of the Company.** **Resolution 9**

   "THAT Tan Sri Dato' Mohamed Mansor bin Fateh Din who retires at the conclusion of the 33rd AGM as a result of a resolution passed at the 32nd Annual General Meeting dated 21 September 2016, be and is hereby re-appointed as a Director of the Company."

9. **Proposed retention of Independent Non-Executive Director pursuant to Paragraph 3.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and in line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012.** **Resolution 10**

   "THAT Dato' Ikhwan Salim bin Dato' Hj Sujak, who has served as an Independent Non-Executive Director for more than nine (9) years, shall continue to act as an Independent Non-Executive Director of the Company."

10. **Proposed Issuance of Shares Pursuant to Section 75 of the Companies Act, 2016.** **Resolution 11**

"THAT, subject always to the Companies Act, 2016, Constitution of the Company and the approvals of the relevant regulatory authorities, where necessary, the Directors of the Company be and are hereby authorised, pursuant to Section 75 of the Companies Act, 2016, to issue and allot shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors, may in their discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing and quotation of the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

11. **Proposed Renewal of Authority for Share Buy-Back.** **Resolution 12**

"THAT, subject to the Companies Act, 2016, Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, guidelines, rules and regulations for the time being in force or as may be amended from time to time, and the approvals from all relevant authorities, the Company be and is hereby authorised to exercise a buy-back of its ordinary shares as determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors at their discretion deem fit and expedient in the interest of the Company ("Proposed Share Buy-Back") provided that:

(i) the maximum number of ordinary shares which may be purchased or held by the Company shall be equivalent to 10% of the issued and paid-up share capital of the Company at the point of purchase;

(ii) the maximum amount of funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits account of the Company at the time of the purchase(s);

(iii) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

(a) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at a general meeting, either unconditionally or subject to conditions; or

(b) the expiration of the period within which the next annual general meeting after that date is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and

(iv) upon completion of the purchase(s) of its shares by the Company, the Directors be and are hereby authorised to:

(a) cancel the shares so purchased; and/or
(b) retain the shares so purchased as treasury shares; and/or
(c) transfer the shares so purchased for purposes of an employees' share scheme and/or as purchase consideration; and/or
(d) distribute the treasury shares as dividends to the existing shareholders; and/or
(e) resell the treasury shares on the market of Bursa Malaysia Securities Berhad in accordance with the Main Market Listing Requirements; and/or
(f) deal with the shares so purchased and/or treasury shares in any other manner as prescribed by the applicable rules, regulations and orders made pursuant to the Companies Act, 2016, Main Market Listing Requirements and any other relevant authority for the time being in force,

AND THAT the Directors be and are hereby authorised to do all such acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any condition, modification, variations and/or amendment as may be imposed by the relevant authorities and to do all such steps, acts and things as the Directors may deem fit and expedient in the best interest of the Company."

12. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions** **Resolution 13**

"THAT, the mandate granted by the shareholders of the Company on 21 September 2016, authorising the Company and its subsidiaries and associated companies to enter into the categories of recurrent related party transactions of a revenue or trading nature ("Proposed Shareholders' Mandate"), the details of which are set out in Section 3.0 of the Company's Circular to Shareholders dated 30 August 2017 which are necessary for its day-to-day operations, be and is hereby renewed provided that:

(i) the transactions are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

(ii) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the shareholders' mandate based on the type of transactions, names of the related parties and their relationship,

AND THAT, such approval shall continue to be in force until:

(i) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at the meeting;

(ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to Section 340(1) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(2) of the Companies Act, 2016); or

(iii) revoked or varied by resolution passed by shareholders in general meeting,

whichever is the earlier.

AND FURTHER THAT the Directors be and are hereby authorised to complete and do all such acts and things as they may consider expedient in the best interest of the Company to give full effect to the transactions described by this Ordinary Resolution."

13. **Proposed Bonus Issue Of Up To 74,817,531 New Ordinary Shares In Glomac ("Bonus Share(s)") On The Basis Of 1 Bonus Share For Every 10 Existing Ordinary Shares Held In Glomac ("Glomac Share(s)" Or "Share(s)") On An Entitlement Date To Be Determined And Announced Later ("Proposed Bonus Issue")** **Resolution 14**

"**THAT**, subject to the approvals of all relevant regulatory authorities and parties for the listing of and quotation for the Bonus Shares, approval be and is hereby given to the Directors of the Company to capitalise an amount of up to RM37,408,766 out of the Company's share premium account, and to apply the same for the purposes of issuing up to 74,817,531 Bonus Shares in the share capital of the Company, credited as fully paid-up to the entitled shareholders whose names appear in the Record of Depositors of the Company as at the close of business on the entitlement date to be determined by the Directors and announced later on the basis of 1 Bonus Share for every 10 existing Glomac Shares held;

THAT fractional entitlements arising from the Proposed Bonus Issue, if any, shall be dealt in such manner as the Directors shall in their absolute discretion deem fit and expedient in the best interest of the Company;

THAT the Bonus Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Glomac Shares, save and except that the Bonus Shares so issued will not be entitled to any dividends, rights, allotments and/or other distributions where the entitlement date precedes the date of allotment of such Bonus Shares;

AND THAT the Directors be and are hereby authorised to sign and execute all documents to give effect to the Proposed Bonus Issue with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue."

14. To transact any other business of the Company of which due notice has been received.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of Shareholders at the 33rd Annual General Meeting to be held on 27 September 2017, a final single-tier dividend of 1.5 sen per ordinary share for the financial year ended 30 April 2017 will be paid on 8 December 2017 to Depositors whose names appear in the Record of Depositors on 30 November 2017.

A Depositor shall qualify for entitlement to the dividend only in respect of:

(a) Shares deposited into the Depositors' Securities Account before 4.00 pm on 30 November 2017 in respect of ordinary transfers; and

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

By Order of the Board

ONG SHAW CHING (MIA 7819)
HANIZA SABARAN (MAICSA 7032233)
Company Secretaries

Kuala Lumpur
30 August 2017

Notes:

A. This Agenda item is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act, 2016, the audited financial statements do not require a formal approval of the shareholders and will not be put forward for voting.

B. For the purpose of determining a member who shall be entitled to attend this 33rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the provisions under Article 42 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 to issue a General Meeting Record of Depositors ("ROD") as at 20 September 2017. Only a depositor whose name appears on the ROD as at 20 September 2017 shall be entitled to attend the 33rd AGM or appoint proxies to attend and vote on his/her behalf.

Proxy

1. Only members registered in the Record of Depositors as at 20 September 2017 are entitled to attend and vote at the 33rd AGM or appoint a proxy or proxies to attend and vote in their behalf.

2. A proxy may but need not be a Member of the Company.

3. A member shall be entitled to appoint not more than two (2) proxies at each meeting to attend and vote at the same meeting and where a member appoints more than one (1) proxy the appointment shall be invalid unless the proportions of the shareholdings to be represented by each proxy is specified.

4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly appointed or if such appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly appointed under a power of attorney.

6. The instrument appointing a proxy must be deposited at the Company's Registered Office at Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 33rd AGM or any adjournment thereof.

Explanatory Notes

1. Resolution 2

Resolution 2 is proposed to seek the shareholders' approval for the payment of directors' remuneration of RM6,262,240.00 for the financial year ended 30 April 2017. The details of the directors' remuneration for the financial year ended 30 April 2017 can be referred to page 94 of this annual report.

2. Resolution 3

Section 230 (1) of the Companies Act, 2016 provides amongst others, that "fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries must be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for the payment of directors' remuneration, inclusive of fees, meeting allowances and other benefits payable to the directors for the financial period ending 30 April 2018.

Resolution 3 is proposed to seek the shareholders' approval for the payment of directors' remuneration of up to RM6,500,000.00 for the financial year ending 2018.

3. Resolution 9

Tan Sri Dato' Mohamed Mansor bin Fateh Din, who was re-appointed at the 32nd Annual General Meeting, and to hold office until the conclusion of the next annual general meeting, shall seek re-appointment as Director of the Company at the forthcoming 33rd AGM to be held on 27 September 2017.

4. Resolution 10

Resolution 10 is proposed to retain Dato' Ikhwan Salim bin Dato' Hj Sujak as an Independent Non-Executive Director of the Company to fulfill the requirements of Paragraph 3.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and in line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012.

The Nomination Committee and the Board have assessed the independence of Dato' Ikhwan Salim bin Dato' Hj Sujak and is satisfied that the incumbent has complied with the independence criteria stated under the definition of Independent Director as defined in the Listing Requirements of Bursa Malaysia Securities Berhad and he is able to provide proper check and balance thus continue to bring an element of objectivity to the Board of Directors.

5. Resolution 11

The proposed Resolution 11, if passed, will empower the Directors of the Company, to issue and allot shares in the Company up to and not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being for such purposes as they consider would be in the best interests of the Company. This authority will expire at the next annual general meeting of the Company, unless revoked or varied at a general meeting.

6. **Resolution 12**

The proposed Resolution 12, if passed, will empower the Directors to exercise a buy-back of the Company's ordinary shares up to 10% of the issued and paid-up share capital by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next annual general meeting of the Company. The details of the proposal are set out in Section 2.0 of the Circular to Shareholders dated 30 August 2017 which is despatched together with the Company's abridged version of the Annual Report 2017.

7. **Resolution 13**

The proposed Resolution 13, if passed, will enable the Company and/or its subsidiaries and associated companies to enter into recurrent related party transactions or a revenue or trading in nature with related parties which are necessary for the Group's day-to-day operations and are in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. The details of the proposal are set out in Section 3.0 of the Circular to Shareholders dated 30 August 2017 which is despatched together with the Company's abridged version of the Annual Report 2017.

8. **Resolution 14**

The proposed Resolution 14, if passed, will empower the Directors to issue and allot 1 bonus share for every 10 existing ordinary shares as a reward to the existing shareholders of the Company. The detailed proposal of the Proposed Bonus Issue can be referred to the Circular to Shareholders dated 30 August 2017 which is despatched together with the Company's abridged version of the Annual Report 2017.

Statement Accompanying Notice of 33rd Annual General Meeting pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. **Resolution 9**

The profile of Tan Sri Dato' Mohamed Mansor bin Fateh Din who is standing for re-appointment is set out on page 6 of this Annual Report. The details of his shareholding in the Company and/or its subsidiaries (if any) are set out in the Directors' Report on page 61 and 62 of the Audited Financial Statements of this Annual Report.

2. **Resolution 10**

The profile of Dato' Ikhwan Salim bin Dato' Hj Sujak who is standing for continuation of office as an Independent Director of the Company to fulfill the requirements of Paragraph 3.04 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and in line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 is set out on page 10 of this Annual Report. The details of his shareholding in the Company or its subsidiaries (if any) are set out in the Directors' Report on page 61 of the Audited Financial Statements of this Annual Report.

3. **Resolution 11**

This mandate is a renewal to the general mandate pursuant to Section 75 of the Companies Act, 2016, which was approved by the shareholders at the 32nd Annual General Meeting held on 21 September 2016. As at the date of this notice, no new shares were issued pursuant to the general mandate approved by the shareholders at the 32nd Annual General Meeting.

The renewed mandate will also enable the Directors to take advantage of any strategic opportunity which involve the issue/placing of shares for investments, acquisitions or to raise fund for investments and/or working capital.

PROXY **FORM**

GLOMAC BERHAD
(COMPANY NO. 110532-M)
(Incorporated in Malaysia)

No of shares		**CDS Account No**	
Contact No		**Email address**	

I/We ______________________________ of ______________________________

______________________________ being a member(s) of GLOMAC BERHAD ("the Company")

hereby appoint (1) ______________________________ (NRIC No.: ______________________)

of ______________________________

(*) and/or failing him/her, (2) ______________________________ (NRIC No.: ______________________)

of ______________________________

or THE CHAIRMAN OF THE MEETING, as my/our proxy(ies), to vote for me/us on my/our behalf at the 33rd Annual General Meeting of the Company to be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 27 September 2017 at 11.00 a.m. or at any adjournment thereof.

The proportion of *our proxies are as follows (this paragraph should be completed ONLY when two proxies are appointed):

First Proxy (1)	%	**Second Proxy (2)**	%

*My/Our proxy(ies) is/are to vote as indicated below:

		For	**Against**
Resolution 1	To approve a final single-tier dividend of 1.5 sen per ordinary share		
Resolution 2	To approve the payment of Directors' remuneration FYE 2017		
Resolution 3	To approve the payment of Directors' remuneration FYE 2018		
Resolution 4	To re-elect Datuk Seri Johan bin Abdullah who retires in accordance with Article 82 of the Company's Constitution		
Resolution 5	To re-elect Ms Shan Choo who retires in accordance with Article 82 of the Company's Constitution		
Resolution 6	To re-elect Datuk Ali bin Tan Sri Abdul Kadir who retires in accordance with Article 84 of the Company's Constitution		
Resolution 7	To re-elect YB Datuk Seri Panglima Hj Abdul Azeez bin Hj Abdul Rahim who retires in accordance with Article 84 of the Company's Constitution		
Resolution 8	To re-appoint Messrs Deloitte PLT as Auditors and to authorise the Directors to fix their remuneration		
Resolution 9	To re-appoint Tan Sri Dato' Mohamed Mansor bin Fateh Din as Director		
Resolution 10	To retain Dato' Ikhwan Salim bin Dato' Hj Sujak as Independent Director		
Resolution 11	Proposed Issuance of Shares Pursuant to Section 75 of the Companies Act, 2016		
Resolution 12	Proposed Renewal of Authority for Share Buy-Back		
Resolution 13	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions		
Resolution 14	Proposed Bonus Issue		

Please indicate with an 'X' in the appropriate box against each resolution on how you wish your votes to be casted. If no instruction is given, the proxy will vote or abstain from voting at his/her discretion.

Signed this _________ day of _______________ 2017 Signature/Seal ______________________________

Notes:
1. Only members registered in the Record of Depositors as at 20 September 2017 are entitled to attend and vote at the 33rd AGM or appoint proxy(ies) to attend and vote on his/her behalf.
2. The proxy need not be a Member of the Company.
3. A member shall be entitled to appoint a maximum of two (2) proxies at each meeting, to attend and vote at the same meeting and where a member appoints two (2) proxies, the appointment shall be invalid unless the proportions of the shareholdings to be represented by each proxy is specified.
4. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly appointed or if such appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly appointed under a power of attorney.
6. The instrument appointing a proxy must be deposited at the Company's Registered Office at Level 15, Menara Glomac, Glomac Damansara, Jalan Damansara, 60000 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 33rd AGM Meeting or any adjournment thereof.
7. By submitting the duly executed proxy form, the Member and his/her proxy(ies) consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purposes of the 33rd AGM, and any adjournment thereof.

Affix Stamp

The Company Secretary

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