

ECOWORLD

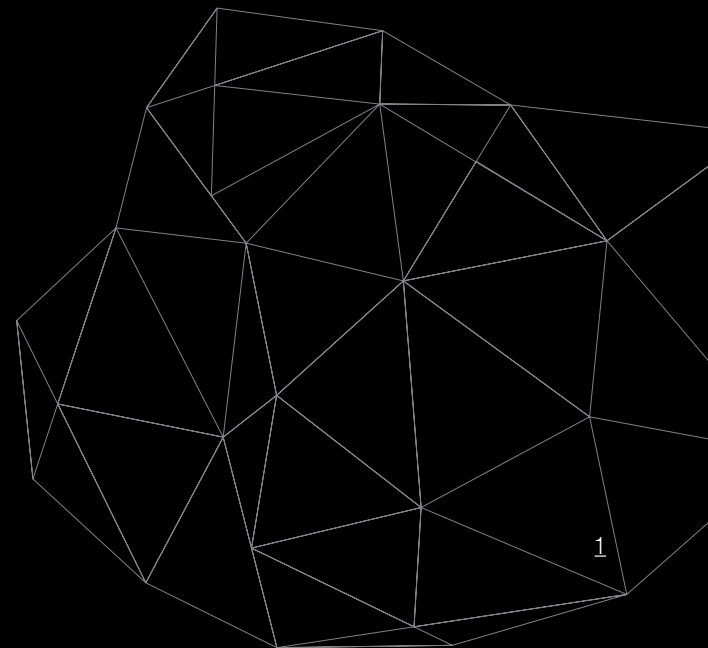
CREATING TOMORROW & BEYOND



ANNUAL REPORT 2013

EVOLUTIONARY PROGRESS · REVOLUTIONARY GROWTH

A transformation. A marked change in appearance, character, condition, or function – EcoWorld’s new chapter in a seemingly endless journey for a revolutionary growth and outcome, set to progressively transform the landscape of eco living.



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FORM OF PROXY



Our **VISION** is to Create
World-Class Eco Living
In All Our Developments

MISSION:

We will achieve our vision through a culture of excellence and teamwork by;

- Delivering unmatched service quality to our customers at all times.
- Being thought-leaders & leading with passion in pursuit of world-class product designs.
- Upholding uncompromising standards in building environmental-friendly and ecologically-sound neighbourhoods.
- Multiplying stakeholders & shareholders' values & dominate market share in shortest time possible.
- Winning global recognition as an Innovative Eco Developer.
- Performing Corporate Social Responsibility for the benefit of our communities.





THE TRANSFORMATION

Leaders with a vision to transform the landscape
of the property industry

Beautifying the vicinity

with native tree preservation



CORPORATE INFORMATION & BOARD OF DIRECTORS

BOARD OF DIRECTORS

Non-Independent Non-Executive Chairman
Tan Sri Abdul Rashid bin Abdul Manaf

Non-Independent Non-Executive Deputy Chairman
Dato' Leong Kok Wah

President and Chief Executive Officer
Dato' Chang Khim Wah

Executive Directors
Heah Kok Boon
Liew Tian Xiong

Independent Non-Executive Directors
Tan Sri Lee Lam Thye
Tang Kin Kheong
Dato' Idrose bin Mohamed

REGISTERED OFFICE

Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights
50490 Kuala Lumpur, Wilayah Persekutuan
Tel No: 03-20849000
Fax No: 03-20949940, 03-20950292

WEBSITE

www.ecoworldgroup.com.my

AUDIT COMMITTEE

Tang Kin Kheong
Chairman (Senior Independent Non-Executive Director)

Tan Sri Lee Lam Thye
Member (Independent Non-Executive Director)

Dato' Idrose bin Mohamed
Member (Independent Non-Executive Director)

COMPANY SECRETARIES

Chua Siew Chuan (MAICSA 0777689)
Mak Chooi Peng (MAICSA 7017931)

REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
(Co. No: 36869-T)
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Tel No: 03-20849000
Fax No: 03-20949940, 03-20950292

AUDITORS

Ernst & Young
Chartered Accountants
Suite 11.2, Level 11, Menara Pelangi
2, Jalan Kuning, Taman Pelangi
80400 Johor Bahru

PRINCIPAL BANKER

AmBank (M) Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(Main Market)

Board of Directors



DATO' LEONG KOK WAH
NON-INDEPENDENT
NON-EXECUTIVE DEPUTY CHAIRMAN



**TAN SRI ABDUL RASHID BIN
ABDUL MANAF**
NON-INDEPENDENT
NON-EXECUTIVE CHAIRMAN



TANG KIN KHEONG
SENIOR INDEPENDENT
NON-EXECUTIVE DIRECTOR





TAN SRI LEE LAM THYE
INDEPENDENT
NON-EXECUTIVE DIRECTOR



DATO' CHANG KHIM WAH
PRESIDENT AND
CHIEF EXECUTIVE OFFICER



LIEW TIAN XIONG
EXECUTIVE DIRECTOR



HEAH KOK BOON
EXECUTIVE DIRECTOR AND
CHIEF FINANCIAL OFFICER



DATO' IDROSE BIN MOHAMED
INDEPENDENT
NON-EXECUTIVE DIRECTOR



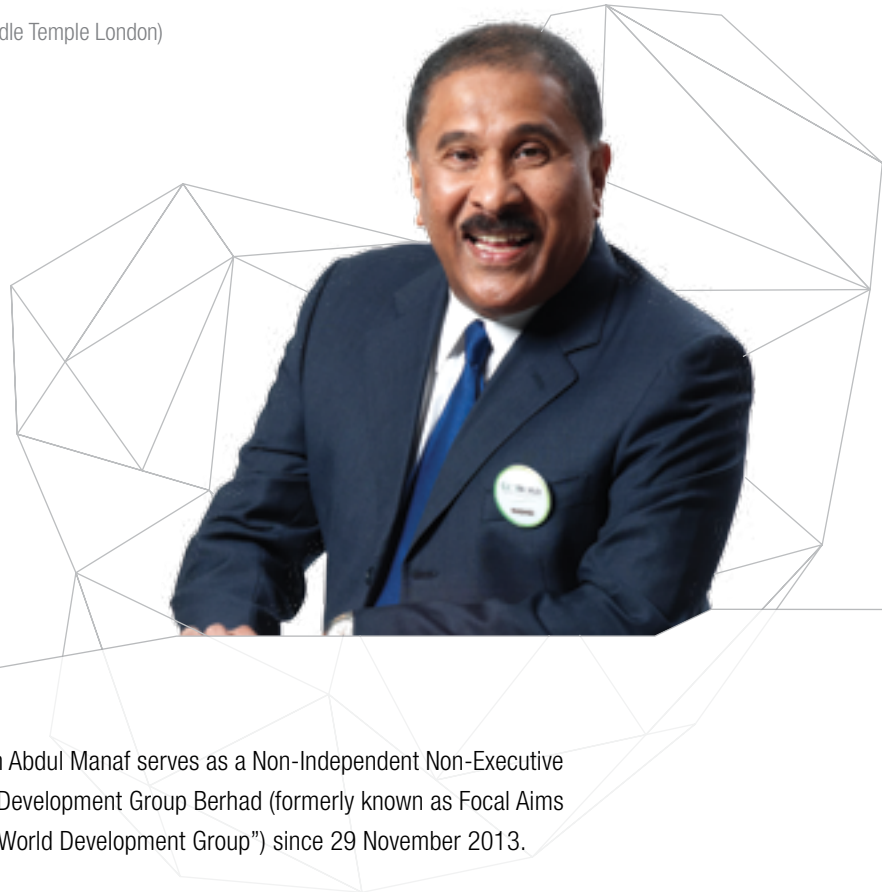
**Discover
the epitome**
of eco living in Nature's embrace



Tan Sri Abdul Rashid bin Abdul Manaf

Non-Independent Non-Executive Chairman
Malaysian, 67 years of age

- Barrister-at-Law (Middle Temple London)



Tan Sri Abdul Rashid bin Abdul Manaf serves as a Non-Independent Non-Executive Chairman of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) ("Eco World Development Group") since 29 November 2013.

Tan Sri Abdul Rashid is a full-time businessman. Before venturing into business, he was a senior partner in a legal firm in Kuala Lumpur until his retirement on 24 August 2006. In 1970, he became a Barrister-at-Law. He joined the Malaysian Judicial and Legal Service in 1971 and became a Magistrate until 1973. He was later made the President of the Sessions Court in Klang. In 1975, he became the Senior Federal Counsel for the Income Tax Department. He left Government Service in 1977. He was appointed Director of S P Setia Berhad in 1996 and became the Chairman of the Board of S P Setia Berhad from 1997 until 2012.

He is a director and a major shareholder of Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.), a substantial shareholder of Eco World Development Group. He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.



Dato' Leong Kok Wah

Non-Independent Non-Executive Deputy Chairman
Malaysian, 60 years of age

- Master of Business Administration (MBA) (University of Hull, UK)
- Member of Institute of Bankers (UK)
- Member of Institute of Credit Management (UK)
- Member of Institute of Marketing (UK)
- Member of Institute of Bankers Malaysia

Dato' Leong Kok Wah serves as a Non-Independent Non-Executive Deputy Chairman of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) ("Eco World Development Group") since 29 November 2013.

Dato' Leong has an extensive career and held senior positions in the construction industry. He also has vast experience in stockbroking, asset management and options and futures trading. He is currently an Executive Director of Salcon Berhad and sits on the Board of various companies in Malaysia. He was formerly a Director of S P Setia Berhad.

Dato' Leong also sits on the Board of MUI Continental Berhad (formerly known as MUI Continental Insurance Berhad). He is also the Chairman of Risk Management Committee, Audit Committee member and Investment Committee member of MUI Continental Berhad.

He is a director and shareholder of Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.), a substantial shareholder of Eco World Development Group. He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.

Dato' Chang Khim Wah

President and Chief Executive Officer
Malaysian, 49 years of age

- Bachelor of Engineering (University of New South Wales)
- Professional Engineer registered with the Board of Engineers, Malaysia
- Member of the Institute of Engineers, Malaysia
- Member of the Institute of Engineers, Australia



Dato' Chang Khim Wah serves as an Executive Director of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) ("Eco World Development Group") since 7 October 2013.

Dato' Chang has 26 years of experience in the property development industry. He was appointed as the Chief Executive Officer of Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.) ("Eco World Development Holdings") on 1 May 2013.

Prior to joining Eco World Development Holdings, Dato' Chang was a Director of S P Setia Berhad and he was also the Executive Vice President in charge of the Southern and Northern Property Divisions of S P Setia Berhad group of companies, including the offices in Singapore and Indonesia.

Dato' Chang was re-designated from Executive Director to President and Chief Executive Officer of Eco World Development Group on 12 December 2013.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.



Heah Kok Boon

Executive Director and Chief Financial Officer
Malaysian, 46 years of age

- Bachelor in Commerce (majoring in Accounting and Commercial Law), University of Melbourne, Australia
- Member of the Malaysian Institute of Accountants

Mr. Heah Kok Boon serves as an Executive Director and Chief Financial Officer of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) since 28 November 2013.

Mr. Heah has garnered more than 24 years' experience in audit, corporate finance and corporate investment. He graduated from the University of Melbourne, Australia with a Bachelor in Commerce (majoring in Accounting and Commercial Law). He is a member of the Malaysian Institute of Accountants.

Mr. Heah started his career in the audit department of an international accounting firm – KPMG. After 4 years of varied audit exposures, he went to join the Corporate Finance Department of Aseambankers Malaysia Berhad, now known as Maybank Investment Berhad. After 14 years of originating, structuring and executing various deals over multiple industries, he left as an Executive Vice President in 2007.

Mr. Heah then joined S P Setia Berhad as Head of Corporate Affairs where he planned and executed S P Setia's financial strategies/funding needs and mergers & acquisitions exercises. He left to join Eco World Development Sdn. Bhd. on 1 May 2013 as Chief Financial Officer.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.

A portrait of Liew Tian Xiong, a young man with dark hair, wearing a dark blue suit jacket, a light blue shirt, and a light blue tie. He is smiling and looking towards the camera. The portrait is framed by a white, geometric wireframe structure that resembles a crystal or a complex polygon. The background is white.

Liew Tian Xiong

Executive Director
Malaysian, 22 years of age

- Bachelor's Degree in Commerce,
University of Melbourne, Australia

Mr. Liew Tian Xiong serves as an Executive Director of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) since 29 November 2013.

Mr. Liew graduated in 2012 with a Bachelor's Degree in Commerce from the University of Melbourne, Australia. Prior to that, he has work experience from attachments with Pheim Asset Management Sdn. Bhd. (2010 and 2011) and AmBank (M) Berhad (2010).

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.



Tang Kin Kheong

Senior Independent Non-Executive Director
Malaysian, 58 years of age

- Certified Public Accountant, Malaysia in 1981 with Turquand Youngs & Co, an antecedent firm of Ernst and Young
- Member of the Malaysian Institute of Accountants

Mr. Tang Kin Kheong serves as the Senior Independent Non-Executive Director of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) (“Eco World Development Group”) since 29 November 2013.

Mr. Tang, 58, qualified as a Certified Public Accountant, Malaysia in 1981 with Turquands Young & Co, an antecedent firm of Ernst & Young. He is also a member of the Malaysian Institute of Accountants. During 1983 - 1984, he was seconded to the firm’s office in New Haven, CT, USA where he was exposed to the US public accounting and business environment. Mr. Tang left the firm in 1986 to join Cold Storage (Malaysia) Berhad as Head of Internal Audit reporting directly to the Audit Committee of the Board. He returned to the accounting profession in 1989 when he joined Moores Rowland.

In 2008, Mr. Tang led the Kuala Lumpur Office of Moores Rowland into a merger with the international accounting firm of Mazars, where he served as its Malaysian Managing Partner until August 2013. In all, Mr. Tang has had 23 years of experience as a practicing accountant. He is a licensed auditor and licensed liquidator. He works with public listed companies and owner managed businesses, offering auditing, accounting, insolvency and other business advisory services. Mr. Tang is a director of Mazars Taxation Services Sdn. Bhd., Mazars Risk Management Services Sdn. Bhd. and the Malaysian French Chamber of Commerce and Industry.

Mr. Tang was appointed Director and Chairman of the Audit Committee of Eco World Development Group on 29 November 2013. He was also appointed member of the Remuneration Committee and member of the Nomination Committee on 12 December 2013.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.

Tan Sri Lee Lam Thye

Independent Non-Executive Director
Malaysian, 66 years of age



Tan Sri Lee Lam Thye serves as an Independent Non-Executive Director of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) (“Eco World Development Group”) since 29 November 2013.

Tan Sri Lee started his career as a teacher and later became a unionist. He was elected and served as the State Legislative Assemblyman for Bukit Nanas from 1969 to 1974. From 1974 to 1990, he served as a Member of Parliament for Bandar Kuala Lumpur/Bukit Bintang. Following his retirement from politics in 1990, he continued his career in public service by contributing actively in the social arena.

Currently, he is the Chairman of the National Institute of Occupational Safety and Health (NIOSH), the Deputy President of the National Unity Consultative Council, the Vice Chairman as well as Member of the Executive Council of the Malaysia Crime Prevention Foundation (MCPF), Member of Board of Trustees of 1Malaysia Foundation and Chairman of the Board of Trustees of S P Setia Foundation.

Tan Sri Lee also sits on the Boards of Amcorp Properties Berhad and Media Prima Berhad (including on the boards of Media Prima subsidiaries, Sistem Televisyen Malaysia Berhad and Synchrosound Studio Sdn. Bhd.).

Tan Sri Lee was appointed member of the Audit Committee of Eco World Development Group on 29 November 2013. He was also appointed Chairman of the Remuneration Committee and member of the Nomination Committee of Eco World Development Group on 12 December 2013.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.

Dato' Idrose bin Mohamed

Independent Non-Executive Director
Malaysian, 56 years of age

- Bachelor Degree in Civil Engineering, UITM



Dato' Idrose bin Mohamed serves as an Independent Non-Executive Director of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) ("Eco World Development Group") since 29 November 2013.

Dato' Idrose started his career with the Public Works Department in 1978. In January 1983, he joined the Malaysian Highway Authority (MHA) as a Civil Engineer and was involved in the development of expressways in Malaysia, in particular the RM 6.0 billion North South Expressway (NSE). In November 1991, he was appointed MHA's Northern Region Director, a position he held prior to leaving the government service in August 1994 to join the UEM Group. He was involved in the construction of the RM1.3 billion NSE Central Link and the Kuala Lumpur International Airport (KLIA) Expressway undertaken by concessionaire ELITE. In October 1996, he was appointed Managing Director of ELITE and subsequently, in July 1999, he was appointed Managing Director of PLUS Berhad, the largest toll expressway concessionaire. In April 2002, he was appointed the Managing Director of PLUS Expressways Berhad (PEB) prior to its successful listing on Bursa Malaysia.

After almost eight years at the helm of PLUS/PEB, Dato' Idrose left to join POS Malaysia Berhad in April 2007 as the Group Managing Director/Chief Executive Officer. In October 2008, he was appointed by the Government to be the Group Managing Director of

Syarikat Prasarana Negara Berhad (Prasarana). Upon expiry of his contract at Prasarana in September 2010, he retired to pursue his personal interest in project consultancy, infrastructure implementation, construction, business advisory and property development.

Dato' Idrose has accumulated more than 30 years working experience in both government service as well as in the private sector, spanning various industries such as construction, project and infrastructure implementation, services and operations management. He currently sits on the board of several private limited companies.

Dato' Idrose was appointed member of the Audit Committee of Eco World Development Group on 29 November 2013. He was also appointed Chairman of the Nomination Committee and member of the Remuneration Committee on 12 December 2013.

He does not have any family relationship with any Director and/or major shareholder, nor any conflict of interest with the Company. He has no convictions for any offences over the past 10 years.



Eco living in the city





Improved Financial Results

Shareholders will be happy to hear that it has been a good year for the Eco World Development Group (the “Group”), as total sales reached RM156.3 million for the financial year ended 30 September 2013. This represents a 139% increase from the previous year’s total of RM65.3 million. In all, a total of 432 properties were sold this year, as compared to 330 in 2012, a positive increase of 30.9%. Profit Before Tax (“PBT”) in 2013 also increased to RM29.6 million as compared to 2012’s figure of RM8.1 million, representing a considerable 265% jump in PBT.

CHAIRMAN'S STATEMENT

Tan Sri Abdul Rashid bin Abdul Manaf
Non-Independent Non-Executive Chairman



Dear Shareholders,

It is my pleasure to present Eco World Development Group Berhad's (formerly known as Focal Aims Holdings Berhad) ("Eco World Development or Company") Annual Report and Financial Statements for the financial year ended 30 September 2013.

Encouraging Developments in 2013

Iskandar Malaysia

The bulk of the Group's 2013 sales and profits came from our Kota Masai development. This year's strong financial results resulted from greater interest and demand for our properties, in tandem with increased investor interest in Iskandar Malaysia. Kota Masai is the Company's flagship development situated in Node D of the Iskandar Development Region ("IDR") and consists of a 2,484-acre township containing residential, commercial, industrial and recreational properties.

During the financial year under review, the Group sold 428 properties in Kota Masai as compared to 323 in the previous financial year. Sales during the year included single storey cluster and terrace houses, double storey

terrace houses, semi-detached houses, double and three storey shophots and several parcels of industrial land. The broad based demand for both affordable and upgraded homes, along with commercial and industrial lots, augurs well for the long-term prospects of our development here.

Klang Valley

The Group has one high end niche development in the Klang Valley, Saujana O-Lot, which is situated on 25.9-acres of freehold land next to Glenmarie and the Federal Highway heading towards the Subang Airport Road. Located in the upmarket neighborhood of Saujana, it consists of 120 semi-detached units and 17 detached villas. For this development, the Group

achieved sales of 4 units of SD Villa with a total sales value of RM30.7 million during the year under review.

Moving Ahead

Despite the recent property cooling measures announced by the Malaysian government in Budget 2014, we are confident about the Group's capability and capacity to grow.

On 1 October 2013 the Company received a notice of unconditional takeover offer from CIMB Investment Bank Berhad on behalf of Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.) ("EWDH") and Liew Tian Xiong ("LTX") (collectively referred to as the "Offerors") to acquire all the remaining ordinary shares in the Company held by its other shareholders for a cash offer price of RM1.40 per share. The takeover offer closed on 12 November 2013 with the Offerors emerging as new major shareholders owning approximately 65% of the Company.

Following completion of the takeover offer, a new Board has been appointed comprising of highly qualified and experienced individuals who have distinguished themselves in the legal, financial, engineering, accounting, investment banking, public and social service arenas. Most importantly, the majority of the Board comprises members with almost 70 years of collective experience in the property development industry.

The Executive team is led by Dato' Chang Khim Wah, the new President and Chief Executive Officer of the Group, who is a 26-year industry veteran. Dato' Chang was previously an Executive Director of S P Setia Berhad in charge S P Setia's Southern and Northern Property Divisions as well as its Singapore and Indonesian Offices. He led S P Setia's pioneering team to establish its business in Johor Bahru and grew the portfolio from a single township in 1997 to 8 projects capable of generating more than RM1 billion sales when he resigned from S P Setia earlier this year.

Dato' Chang's vast experience in breaking through to new markets, leading start-ups, developing and grooming talents into award-winning teams, places the Group in good stead to execute its corporate ethos of "Creating Tomorrow and Beyond". This is underpinned by a new Corporate Vision statement which is to "Create World-Class Eco Living In All Our Developments". In line with this aspiration, the Company's name has been changed from Focal Aims Holdings Berhad to "Eco World Development Group Berhad" effective 18 December 2013.

As a first step towards actualizing our aims to become the leader in creating World-Class Eco Living, the Group is in the midst of revamping the development masterplan of our flagship Kota Masai township. The remaining 991.63 acres of undeveloped land will be redesigned to incorporate properties which are not just well-built and aesthetically

pleasing, but will become vibrant habitats for sustainable green communities to flourish. From earth-friendly designs which incorporate more natural ventilation thereby reducing air-conditioning usage to selection of building materials requiring less maintenance in order to age gracefully, careful thought will be given to every aspect of the development to ensure that the homes built will delight its residents for generations. On the industrial front the Eco World Development team aims to create a Technology Garden to showcase our vision of a sustainable industrial park with social & environmental issues high on its agenda. This is to

“As a first step towards actualizing our aims to become the leader in creating World Class Eco Living, the Group is in the midst of revamping the development masterplan of our flagship Kota Masai township. The remaining 991.63 acres of undeveloped land will be redesigned to incorporate properties which are not just well-built and aesthetically pleasing, but will become vibrant habitats for sustainable green communities to flourish.”

attract world class partners and SMEs to relocate here to spur greater job creation, talent gain and technology transfer thus enhancing the economic vibrancy of the area and resulting in increased value creation.

Our endeavours to transform Kota Masai into Johor Bahru's township and industrial park of choice is also supported by vast improvements in both infrastructure and economic vibrancy in Iskandar Malaysia as a whole. The new Johor Bahru East Coast Highway has provided a less congested direct route to Johor Bahru city and Iskandar Malaysia, specifically for residents of townships like Kota Masai. Furthermore, the existing Senai-Desaru Highway connects our landbank to two mega projects being developed in southeast Johor, namely the RM6 billion redevelopment of Desaru by Khazanah Nasional, and the RM170 billion Pengerang Integrated Petroleum Complex ("PIPC") by Petronas and Dialog Berhad. These two projects are expected to increase future demand for landed residential properties in the Masai area, arising from new job creation and population growth in both Desaru and Pengerang.

Further north in the Klang Valley, the Group will be completing its Saujana O-Lot high-end development and relaunching the final 26 units with design enhancements incorporated to appeal to the sophisticated lifestyle needs of the luxury homeowner.

The Group will also be deploying its vast network to source and identify new development opportunities in the Klang Valley, other growth corridors of Johor Bahru and Penang. Whilst there will clearly be challenges due to economic uncertainties and numerous policy changes affecting the property industry, it has been our experience that the most difficult times often yield the best opportunities. As such, the Board and I look forward to an exciting year ahead for the Group in 2014.

Corporate Social Responsibility

As a responsible developer and corporate citizen, we are always mindful of balancing our economic goals with good corporate practices which positively impact all our stakeholders, which range from our customers, shareholders, business associates, employees, the local communities where our developments are located and society at large. Accordingly, I was delighted when Tan Sri Lee Lam Thye accepted the Board's invitation to join us as an Independent Non-Executive Director on 28 November 2013. Tan Sri Lee's credentials and track-record as Malaysia's foremost social activist is unrivalled. His presence and contributions as a Board member will be invaluable as the Group embarks on the establishment of a Foundation to fulfill our responsibilities towards uplifting the lot of the less privileged members of society.

Our Board is also committed to upholding and implementing the highest standards of corporate governance and risk management practices. This is reflected in the various measures listed in the relevant sections of our Annual Report. In compliance with the Malaysian Code on Corporate Governance 2012 issued by the Securities Commission of Malaysia, we have also introduced a new Board Charter to ensure that the responsibilities of the board are clearly defined, that management oversight is continuously promoted, and ultimately, the Group's strategic direction is always founded on sustainability and the promotion of ethical conduct in all of our business dealings.

Acknowledgements

On behalf of the Board of Directors of Eco World Development Group, I would like to convey our sincerest appreciation to our customers, business associates and partners for your continued support and confidence in the Company. I also speak on behalf on the new Board in acknowledging the contributions of the Group's former Board of Directors, who resigned on 28 November 2013. We thank them all for their invaluable contributions and wish them the very best in their future endeavors. I would like to also extend my heartfelt gratitude to the current management team and employees of the Group who have decided to stay on following completion of the takeover to join us in our drive to become one of Malaysia's premier property developers.

We also recognize that the continued success of this Company very much depends on the support of our esteemed shareholders, and I on behalf of the Board, would like to extend our deepest gratitude for your unwavering confidence and belief in the Company. I hope all of our shareholders will continue to give us your full support, as we strive to surpass benchmarks and revolutionise the concept of Eco Living in each and every development we undertake.

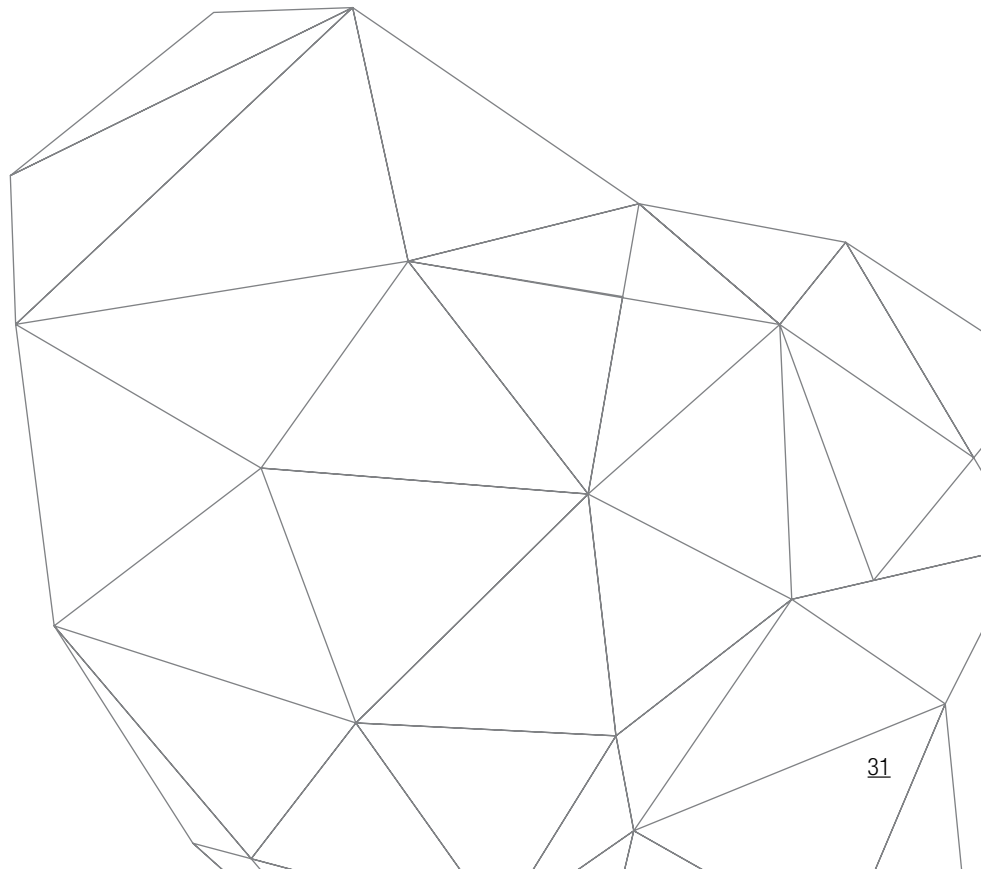
Dividend

The Board of Directors of Eco World Development are pleased to announce the recommendation for the declaration and payment of a first and final tax exempt single tier dividend of 1% for the financial year ended 30 September 2013.



THE EVOLUTION

Diverging paths into a stronghold of excellence



Indulge

in exquisite retail and dining therapy

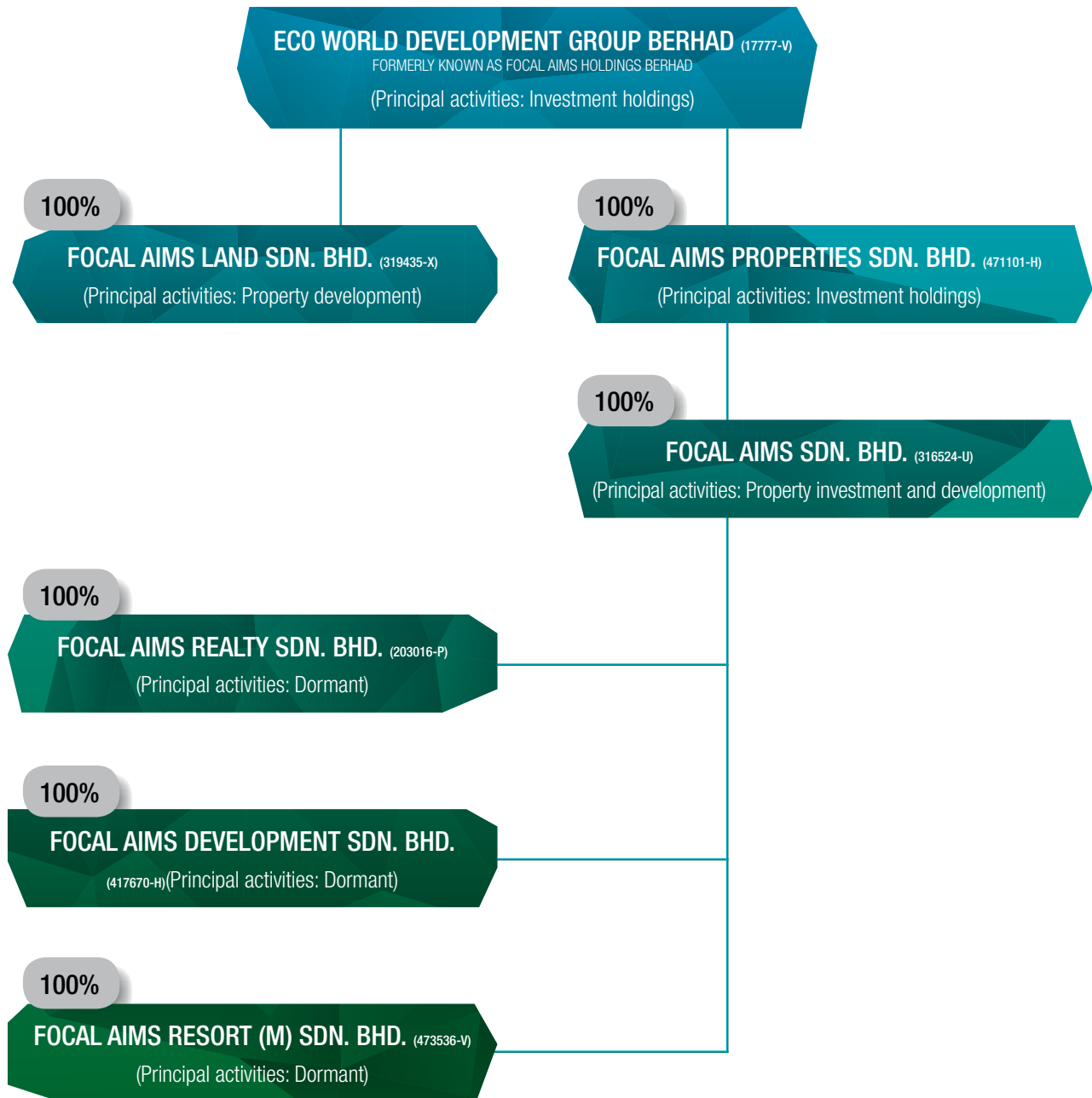




FINANCIAL HIGHLIGHTS

	<i>Actual 30/9/2009</i>	<i>Actual 30/9/2010</i>	<i>Actual 30/9/2011</i>	<i>Actual 30/9/2012</i>	<i>Actual 30/9/2013</i>
Paid-up capital (RM'000)	253,317	253,317	253,317	253,317	253,317
Net Assets (RM'000)	300,694	291,233	289,152	296,354	318,722
Net Assets per share (sen)	119	115	114	117	126
Revenue (RM'000)	30,957	63,920	55,714	65,286	156,326
Profit/(Loss) before taxation and after exceptional item (RM'000)	-7,888	-6,108	-2,296	8,095	29,603
Profit/(Loss) after taxation and after exceptional item (RM'000)	-8,334	-5,569	-2,081	7,202	24,268
Net earnings/(loss) per share (sen)	-3.29	-2.20	-0.82	2.84	9.58
Pretax profit/(loss) margin (%)	-25.5	-9.56	-4.12	12.40	18.94
Current ratio	3.03	2.62	2.95	2.22	2.05
Return on capital employed	-2.6%	-2.1%	-0.8%	2.7%	9.3%
Total borrowings (RM'000)	94,584	83,240	64,468	64,041	52,148
Gearing (times)	0.31	0.29	0.22	0.22	0.16

CORPORATE STRUCTURE







THE STATEMENTS

Comprehending and deciphering
the prospects of the future

The benchmark of sustainable industrial

hubs of tomorrow with intelligent green features





STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“the Board”) of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) (“Eco World Development”) is committed to ensure that a sound framework of best practices of good corporate governance as prescribed in the Malaysian Code on Corporate Governance 2012 (“MCCG 2012”) is generally implemented and in place at all levels of the Group’s businesses to protect and enhance long-term shareholders’ value and all stakeholders’ interest.

Pursuant to paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Main LR”), the Board is pleased to report below the manner in which it has applied the principles of good corporate governance and complied with the best practices set out in the MCCG 2012.

PRINCIPLE 1 : ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Clear functions reserved for the Board and those delegated to Management

The Board has established clear functions reserved for the Board and those delegated to Management. These functions have been clearly described and understood by both parties to ensure accountability.

Additionally, the corporate objectives, including performance targets and long term business goals governance, have been developed and agreed with Management.

Management is responsible for the day to day management of financial and operational matters in accordance with the strategic direction approved by the Board.

All Board authority conferred on Management is delegated through the President/Chief Executive Officer (“CEO”) so that the authority and accountability of Management is considered to be the authority and accountability of the President/CEO so far as the Board is concerned.

Clear roles and responsibilities

The Board reviews, challenges and approves Management’s proposal on a strategic plan for the Company. It is also responsible for monitoring the implementation of the strategic plan by Management.

In this connection, the Board oversees the performance of Management to determine whether the business is properly managed.

The Board recognizes that risks are involved when Management makes business decisions. It therefore ensures that Management implements systems that appropriately identify, monitor and manage these business risks.

The successful achievement of the strategic plan depends to a large extent on the successful recruitment of high calibre individuals to senior management positions. The board oversees the programmes in place to provide orderly succession of senior management personnel.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Directors' Code of Conduct and Ethics

The Directors observe and commit to a Code of Conduct & Ethics ("the Code") based on the Code of Ethics for Company Directors established by the Companies Commission of Malaysia.

The Code sets out the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their responsibilities as Directors, including when representing the Company. The Code also covers a wide range of business practices and procedures. It does not cover every issue that may arise but sets out basic principles to guide the Directors.

The Board periodically reviews and reassesses the adequacy of the Code, and make such amendments as it deems appropriate.

Promote Sustainability

The Board is aware of the importance of business sustainability and ensures that there is a plan for promoting sustainability embedded in the development of the Group's strategies, taking into account the impact on the environmental, social, cultural and governance aspects of business operations. These strategies seek to meet the expectations of stakeholders such as customers, shareholders, regulators, bankers, joint venture partners and the communities in which the Group operates.

Access to information and advice

The Directors are given adequate notice of Board meetings. Board papers together with the agenda are circulated in a timely manner. This is to ensure that the Directors are given sufficient time to read the Board papers and seek any clarification or further details that they may need from Management before the Board Meetings, or to consult the Company Secretaries or independent advisers, if necessary. This enables the Directors to discuss the issues to be raised at the meetings effectively.

The Board also notes the decisions and salient issues deliberated by Board Committees through minutes of these committees.

Board meetings are conducted in accordance with a structured agenda.

The regular agendas for Board meetings are the briefing by the Audit Committee Chairman on the proceedings of Audit Committee meetings, the review of periodic financial results, the briefing by Executive Directors on the business, the briefing on corporate social responsibility activities, notation of circular resolutions passed, announcements made to Bursa Securities and dealings in securities by Directors and principal officers, if any.

Qualified and competent Company Secretary

Every Director has ready and unrestricted access to the advice and the services of the Company Secretaries in ensuring the effective functioning of the Board. The Company Secretaries ensure that Board policies and procedures are both followed and reviewed regularly and have the responsibilities in law to ensure that each Director is made aware of and provided with guidance as to their duties, responsibilities and powers.

The Directors are also regularly updated and advised by the Company Secretaries on new statutory and regulatory requirements issued by regulatory authorities, and their implications on the Company and the Directors in relation to their duties and responsibilities. They are also responsible for ensuring the Group's compliance with relevant statutory and regulatory requirements.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Board Charter

The Board has formalized and adopted a Board Charter which serves as a source of reference for Directors. The Board Charter is established to provide guidance and clarity on the Board's roles and responsibilities as well as the relationship between the Board and Management and the various committees established by the Board, and between the Chairman and the President/CEO.

The Board Charter also sets out processes and procedures for convening Board meetings. It also provides guidance to the Board in the assessment of its own performance and that of its individual directors. The Board will periodically review the Board Charter to ensure it remains consistent with the Board's objectives and responsibilities and any new regulations that may have an impact on the Board's responsibilities.

PRINCIPLE 2 : STRENGTHEN COMPOSITION

Board Composition

During the financial year ended 30 September 2013, the Board consisted of nine (9) members of which two (2) are Executive Directors, four (4) are Non-Independent Non-Executive Directors and three (3) are Independent Non-Executive Directors.

Following the successful acquisition of a controlling stake in the Company by Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.) ("EWDH") and Mr. Liew Tian Xiong ("LTX") (collectively referred to as the "offerors") on 4 October 2013, all the above-mentioned directors resigned from the Board (on 28 and 29 November 2013), and were replaced by the following new directors:

- (a) Tan Sri Abdul Rashid Bin Abdul Manaf;
- (b) Dato' Leong Kok Wah;
- (c) Dato' Chang Khim Wah;
- (d) Mr. Heah Kok Boon;
- (e) Mr. Liew Tian Xiong;
- (f) Mr. Tang Kin Kheong;
- (g) Tan Sri Lee Lam Thye; and
- (h) Dato' Idrose Bin Mohamed.

The new Board consists of eight (8) members of which three (3) are Executive Directors and five (5) are Non-Executive Directors. Three (3) of the Non-Executive Directors are Independent Directors. Thus the requirement under paragraph 15.02 of the Main LR, that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors, is fulfilled.

The Company recognises the contribution of Independent Directors as vital to the development of the Company's strategies and to providing a balanced and independent view to the Board. All Independent Directors are independent of management and free from any relationship that could interfere with their independent judgement.

Mr. Tang Kin Kheong is the Senior Independent Non-Executive Director to whom concerns may be conveyed.

Collectively, the Directors have a wide range of experience and expertise in business, corporate and financial matters that add value to the Board as a whole. The profiles of the Directors are set out in page 14 to 21 of the Annual Report.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Board Meetings

The Board meets at least four (4) times a year, with additional meetings for particular matters convened as and when necessary. Sufficient notice of meetings is given to the Board.

Four (4) Board meetings were held during the financial year ended 30 September 2013, and the attendance of the Directors were as follows:

<i>Name of Directors</i>	<i>Number of Meetings Held</i>	<i>Number of Board Meeting Attended</i>
Tan Sri Datuk Mohd. Razali Bin Abdul Rahman (Resigned on 29/11/2013)	4	2
Mr. E. Seng Kiw @ Yee Oy Chong (Resigned on 29/11/2013)	4	4
Mr. Yee Yok Sen (Resigned on 29/11/2013)	4	4
Datuk Che Mokhtar Bin Che Ali (Resigned on 28/11/2013)	4	4
Encik Wan Mustapha Bin Wan Ismail (Resigned on 29/11/2013)	4	4
Mr. Phang Piow @ Pang Choo Ing (Resigned on 29/11/2013)	4	4
Mr. Pang Tin @ Pang Yon Tin (Resigned on 29/11/2013)	4	4
Mr. Woon See Chin (Resigned on 28/11/2013)	4	4
Mr. Tee Boon Hin (Resigned on 28/11/2013)	4	4
Tan Sri Abdul Rashid Bin Abdul Manaf (Appointed on 29/11/2013)	N/A	N/A
Dato' Leong Kok Wah (Appointed on 29/11/2013)	N/A	N/A
Dato' Chang Khim Wah (Appointed on 7/10/2013)	N/A	N/A
Mr. Heah Kok Boon (Appointed on 28/11/2013)	N/A	N/A
Mr. Liew Tian Xiong (Appointed on 29/11/2013)	N/A	N/A
Mr. Tang Kin Kheong (Appointed on 29/11/2013)	N/A	N/A
Tan Sri Lee Lam Thye (Appointed on 29/11/2013)	N/A	N/A
Dato' Idrose Bin Mohamed (Appointed on 29/11/2013)	N/A	N/A

The Company Secretaries record the minutes of all meetings.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Retirement of Directors

In accordance with the Main LR and Articles of Association, at least one-third of the Directors shall retire from office and every Director shall retire at least once in every three (3) years. The retiring directors shall be eligible for re-election at the Annual General Meeting.

The following Directors who were appointed since the date of the last annual general meeting retire at the forthcoming Fortieth Annual General Meeting pursuant to Article 87 of the Articles of Association and being eligible, offer themselves for re-election:-

- (a) Tan Sri Abdul Rashid Bin Abdul Manaf;
- (b) Dato' Leong Kok Wah;
- (c) Dato' Chang Khim Wah;
- (d) Mr. Heah Kok Boon;
- (e) Mr. Liew Tian Xiong;
- (f) Mr. Tang Kin Kheong;
- (g) Tan Sri Lee Lam Thye; and
- (h) Dato' Idrose Bin Mohamed.

Nomination Committee

The Board has formed a Nomination Committee whose function is:

- (a) to assist the Board in nominating candidates for appointment to the Board; and
- (b) to assist the Board in assessing the performance of Directors on an on-going basis as to their skills and experience and other qualities.

The role of the Nomination Committee is to ensure that the Board comprises Directors with an appropriate mix of responsibilities, skills, experience, as well as to ensure a proper balance between Executive Directors and Independent Non-Executive Directors.

The duties and responsibilities of the Nomination Committee are as follows:-

- To recommend to the Board, candidates for any directorships proposed to be filled by shareholders or the Board of Directors;
- To regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- To assess annually, the effectiveness of the Board as a whole and of each individual Director, as well as the effectiveness of the various committees of the Board;
- To access on an annual basis the independence of the Independent Non-Executive Directors;
- To give consideration to succession planning for directors and other senior executives, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future;
- To review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- To keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- To review the results of the directors' performance evaluation process;

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

- To evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular proposed appointment. In identifying suitable candidates, the Nomination Committee shall:-
 - (a) consider candidates from a wide range of backgrounds;
 - (b) consider candidates on merit, against objective criteria with due regard for the benefits of diversity on the Board, including gender; and
 - (c) ensure that once appointed, appointees have enough time available to devote to the position of director.
- To act in line with the directions of the Board of Directors.

The current Nomination Committee comprises exclusively of Independent Non-Executive Directors, as follows:

- (a) Dato' Idrose Bin Mohamed (Chairman, Independent Non-Executive Director) (appointed on 29 November 2013);
- (b) Tan Sri Lee Lam Thye (Member, Independent Non-Executive Director) (appointed on 29 November 2013); and
- (c) Mr. Tang Kin Kheong (Member, Senior Independent Non-Executive Director) (appointed on 29 November 2013).

Although the Chairman of the Nomination Committee is not the Senior Independent Non-Executive Director, the Board is of the view that the Nomination Committee is able to perform its duties transparently and independently with all its members being Independent Non-Executive Directors.

The Directors who served on the Nomination Committee Members during the financial year ended 30 September 2013 were:

- (a) En. Wan Mustapha Bin Wan Ismail (Chairman, Non-Independent Non-Executive Director) (Resigned on 29/11/2013);
- (b) Mr. Woon See Chin (Member, Independent Non-Executive Director) (Resigned on 28/11/2013); and
- (c) Mr. Tee Boon Hin (Member, Independent Non-Executive Director) (Resigned on 28/11/2013).

During the financial year ended 30 September 2013, the Nomination Committee reviewed and assessed the Board as a whole and the contribution of each individual director, including Independent Non-Executive Directors. The Nomination Committee were satisfied with the composition of the Board and concluded that the performance of all the Directors had been satisfactory.

Criteria for recruitment and assessment

The Nomination Committee has developed criteria for use in the recruitment and annual assessment of Directors. In evaluating the suitability of candidates, the Nomination Committee considers, inter-alia, the competency, experience, commitment (including time commitment), contribution and integrity of the candidates, and additionally in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates' independence.

The Board has access to the services of the Company Secretaries who ensure that all appointments are properly made, that all necessary information is obtained from Directors, both for the internal records and for the purposes of meeting statutory and regulatory obligations, including obligations under the Main LR.

The Board recognises the need for gender diversity among its directors and is currently in the process of identifying suitable female candidates for appointment.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Board remuneration policies and procedures

The Remuneration Committee's principal objective is to assist the Board in assessing the remuneration package of the Executive Directors, which is structured to align with the business strategy and long term objectives of the Company. The Board decides on the remuneration package after considering the recommendations of the Remuneration Committee. The Executive Directors abstain from participating in decisions regarding their own remuneration package.

The Remuneration Committee also recommends to the Board the policy framework and remuneration and benefits extended to the President/CEO.

Subject to shareholders' approval in general meeting, the Board as a whole determines the remuneration of the Non-Executive Directors. The remuneration of the Non-Executive Directors will be reviewed in order to take into recognition their principal duties and responsibilities under the Code.

The current Nomination Committee comprises exclusively of Independent Non-Executive Directors, as follows:

- (a) Tan Sri Lee Lam Thye (Chairman, Independent Non-Executive Director) (appointed on 29 November 2013);
- (b) Dato' Idrose Bin Mohamed (Member, Independent Non-Executive Director) (appointed on 29 November 2013); and
- (c) Mr. Tang Kin Kheong (Member, Senior Independent Non-Executive Director) (appointed on 29 November 2013).

The Directors who served as the Nomination Committee Members during the financial year ended 30 September 2013 were:

- (a) Tan Sri Datuk Mohd Razali Bin Abdul Rahman (Chairman, Non-Independent Non-Executive Director) (resigned on 29 November 2013);
- (b) Datuk Che Mokhtar Bin Che Ali (Member, Independent Non-Executive Director) (resigned on 28 November 2013); and
- (c) Mr. Phang Piow @ Pang Choo Ing (Member, Non-Independent Non-Executive Director) (resigned on 29 November 2013).

Directors' Remuneration

The remuneration of Executive Directors comprises salaries, allowance, bonuses and other customary benefits made available by the Group.

The annual fees payable to Non-Executive Directors as recommended by the Board are subject to approval by shareholders at the Annual General Meeting. The Company reimburses expenses incurred by the Directors in the course of their duties.

The range of remuneration received by Directors for the financial year ended 30 September 2013 is set out in note 8 of the Financial Statements. The Company opts not to disclose the remuneration of individual Directors as the Company believes that this information will not add significantly to the understanding and evaluation of the Company's governance.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

The details of the remuneration received and receivable during the financial year ended 30 September 2013 by Directors in office during the year are as follows:

1. Aggregate remuneration of Directors categorized into components:

Component	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Fees	-	255
Salaries	967	240 *1
Allowance	276	64 *1
Bonus	555	15 *1
Others	270	97 *1
Total	2,068	671

2. Number of Directors whose remuneration falls into the following bands:

Range of remuneration	Number of Directors	
	Executive	Non-Executive
Below RM50,000	-	1
RM50,001 to RM100,000	-	4
RM100,001 to RM150,000	-	-
RM150,001 to RM200,000	-	2 *1
RM200,001 to RM850,000	-	-
RM850,001 to RM900,000	1	-
RM900,001 to RM1,200,000	-	-
RM1,200,001 to RM1,250,000	1	-

Note:

*1 – The salary, bonus and other emoluments received or receivable relates to Non-Executive Directors of the Company but who were Executive Directors of its subsidiary company.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

PRINCIPLE 3 : REINFORCE INDEPENDENCE

Annual Assessment of Independence

The Board has set out policies and procedures to ensure the effectiveness of the Independent Non-Executive Directors. The Board assesses the independence of the Independent Non-Executive Directors annually, taking into account the individual Director's ability to exercise independent judgement at all times.

The Independent Non-Executive Directors are not employees and they do not participate in the day-to-day management of the Group. They bring an external perspective, constructively challenge and help develop proposals on strategy, scrutinise the performance of Management in meeting approved goals and objectives, and monitor the risk profile of the Company's business and the reporting of monthly business performances.

The Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their ability to act in the best interest of the Company.

Tenure of Independent Directors

All the Independent Directors currently in office were appointed on 29 November 2013.

Upon completion of nine (9) years, the Independent Directors may continue to serve on the Board subject to the Independent Directors being re-designated as Non-Independent Directors. In the event the Board intends to retain any Director as an Independent Non-Executive Directors after a cumulative term of nine (9) years, approval from the shareholders will be sought.

Chairman and President/Chief Executive Officer

The roles of Chairman and Managing Director are undertaken by separate persons. The Chairman is a Non-Executive member of the Board.

Non –Independent Chairman

The Board is chaired by a Non-Independent Non-Executive Director.

The Board notes Recommendation 3.5 of the MCCG 2012, which states that the Board must comprise a majority of Independent Directors where the Chairman of the Board is not an Independent Director.

Being a Non-Executive Director, the Chairman is independent of management and has no relationship that could materially interfere with his judgement.

Although the Board does not comprise a majority of Independent Directors, there is a majority of Non-Executive Directors, i.e. five (5) out of eight (8). Their presence thus provides a reasonably effective check and balance for the Executive Directors.

The Board therefore believes that balance of power and authority exists within its current structure to sufficiently enable it to discharge its duties objectively.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

PRINCIPLE 4 : FOSTER COMMITMENT

Time Commitment

Directors are expected to give sufficient time and attention to carry out their responsibilities. The Board Charter sets out a policy where a director shall notify the Chairman officially before accepting any new directorship in any other company and the notification shall explain the expectation and an indication of time commitment that will be spent on the new appointment.

The current Directors are able to devote sufficient time commitment to their roles and responsibilities as Directors of the Company.

Directors' Training

All the Directors have attended and successfully completed the Mandatory Accreditation Programme ("MAP") as specified by Bursa Securities.

During the financial year ended 30 September 2013, the Directors attended a workshop to keep abreast of recent changes in the Malaysian Code of Corporate Governance. A majority of the Directors also attended training pursuant to paragraph 15.08 of the Main LR.

The current Board of Directors will undergo relevant training programmes and seminars from time to time and as and when necessary to update themselves with the relevant knowledge and skills to discharge their duties effectively.

PRINCIPLE 5 : UPHOLD INTEGRITY IN FINANCIAL REPORTING

Compliance with Applicable Financial Reporting Standards

In presenting the annual audited financial statements and interim financial results, the Board takes responsibility to ensure that these financial statements are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable financial reporting standards in Malaysia.

The Audit Committee assists the Board by reviewing these financial statements with Management and the external auditors.

The Responsibility Statement by the Directors pursuant to Main LR of Bursa Securities is set out in this Annual Report.

Assessment of Suitability and Independence of External Auditors

The Audit Committee undertakes an annual assessment of the suitability and independence of the external auditors. The Audit Committee meets with the external auditors at least twice a year to discuss their audit plan, audit findings and the Company's financial statements. At least one of these meetings is held without the presence the Executive Directors or Management.

Additionally, the external auditors are invited to attend the Annual General Meeting of the Company and are available to answer shareholders' questions on the conduct of the statutory audit and the preparation and contents of their audit report.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

PRINCIPLE 6 : RECOGNISE AND MANAGE RISK

Sound risk management framework

The Statement on Risk Management and Internal Control as set out in page 63 to 65 provides an overview of the management of risks and state of internal controls within the Group.

Internal Audit Function

The Directors acknowledge their responsibility to maintain a system of internal control and risk management. The Board seeks regular assurance on the continuity and effectiveness of the internal control and risk management system through independent review by the internal auditors.

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control and risk management is satisfactory and operating effectively. The internal auditors adopt a risk-based approach towards the planning and conduct of their audits, and this is consistent with the Group's framework in designing, implementing and monitoring its internal control system.

PRINCIPLE 7 : ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

Corporate disclosure policies and procedures

The Company recognises the value of transparent, consistent and coherent communications with the investment community consistent with commercial confidentiality and regulatory considerations. The Company aims to build long-term relationships with shareholders and potential investors through appropriate channels for disclosure of information.

Investors are provided with sufficient business, operational and financial information on the Group to enable them to make informed investment decisions.

Leverage on Information Technology for Effective Dissemination of Information

The Company's website incorporates an Investor Relations section which provides all relevant information on the Company which is accessible to the public. This section enhances the Investor Relations function by including all announcements made by the Company and its annual reports.

The quarterly financial results are also announced via Bursa LINK immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

PRINCIPLE 8 : STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

Dialogue with Shareholders

In addition to the dissemination of information to shareholders and other interested parties via announcements to Bursa Securities, its website, circulars and press releases, interviews are conducted from time to time with local journalists by Management and reported in the local newspapers.

The Board views the annual general meeting as an ideal opportunity to communicate with shareholders. Whilst the Company endeavours to provide as much information as possible to its shareholders, it is also mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

Encourage Shareholders Participation at General Meetings

The Annual Report, which contains the Notice of Annual General Meeting, is sent to shareholders at least twenty-one (21) days prior to the date of the meeting. The Notice of Annual General Meeting, which sets out the business to be transacted at the Annual General Meeting, is also published in a major local newspaper. Items of special business included in the Notice of Annual General Meeting will be accompanied by an explanation of the proposed resolution.

At each meeting, shareholders are able to participate in the questions and answers session in respect of the matters listed in the Notice of Annual General Meeting. There is no time limitation for shareholders to raise questions and to solicit replies from the Board.

Poll Voting

In line with Recommendation 8.2 of the MCGG 2012, the Chairman informs shareholders of their right to demand a poll vote at the commencement of all general meetings.

Effective Communication and Proactive Engagement

In maintaining its commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as the general investing public.

The practice of disclosure of information is not established just to comply with the requirements of the Main LR, it also adopts the best practices recommended in the MCGG 2012 with regard to strengthening engagement and communication with shareholders. Where possible, the Group also provides additional disclosures of information on a voluntary basis. The Group believes that consistently maintaining a high level of disclosure and extensive communication is vital to shareholders and investors in making informed investment decisions.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year, and of the results and cash flows of the Group and of the Company for that year then ended.

The Directors consider that in preparing the financial statements:

- the Group and the Company have used appropriate accounting policies that are consistently applied;
- reasonable and prudent judgements and estimates have been made; and
- all applicable approved accounting standards in Malaysia have been adhered to.

The Directors are responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company, and that the financial statements comply with the requirements of the Companies Act, 1965.

The Directors have general responsibility for taking such steps as are reasonable open to them to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

STATEMENT ON CORPORATE GOVERNANCE (cont'd)

ADDITIONAL COMPLIANCE INFORMATION

SHARE BUYBACK

There was no buyback of the Company's shares during the financial year ended 30 September 2013.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There were no options, warrants or convertible securities issued to any parties during the financial year.

DEPOSITORY RECEIPT PROGRAMME

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

SANCTIONS AND/OR PENALTIES

There were no public sanctions and/or penalties imposed on the Company and/or its subsidiary companies, Directors or Management by any regulatory body during the financial year.

NON-AUDIT FEES

The amount of non-audit fee incurred for the services provided by the external auditors and their member firms to the Group for financial year ended 30 September 2013 amounted to RM47,900 (2012: RM41,100).

VARIATION IN RESULTS

There were no material variation between the results for the financial year ended 30 September 2013 and the unaudited results previously announced.

PROFIT GUARANTEE

The Company did not give any profit guarantee during the financial year.

MATERIAL CONTRACTS

There was no material contract entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest since the end of the financial year.

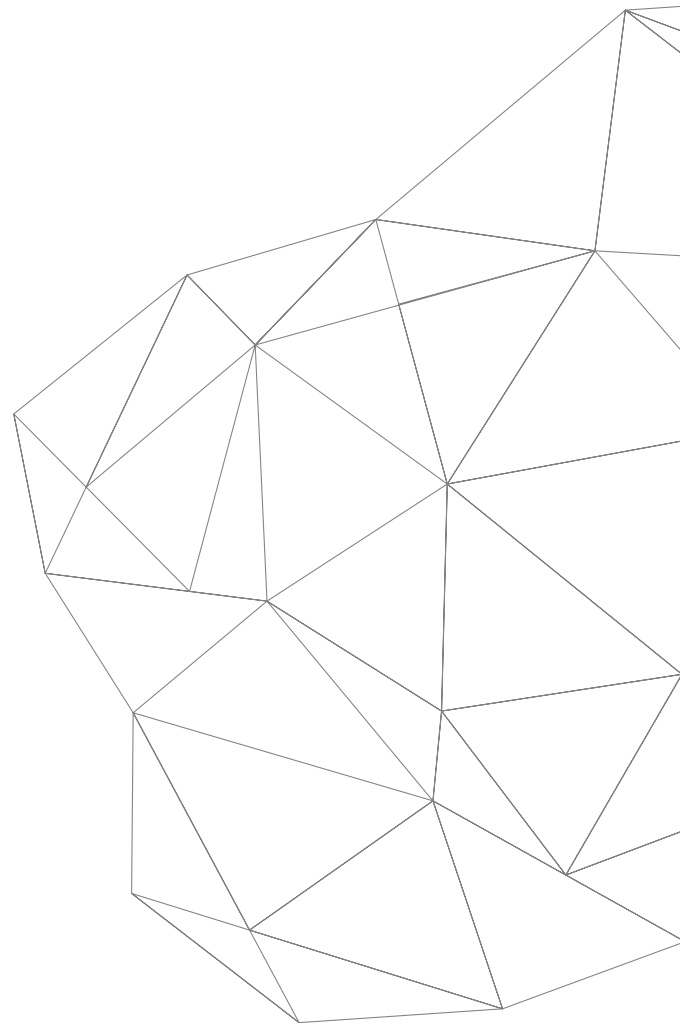
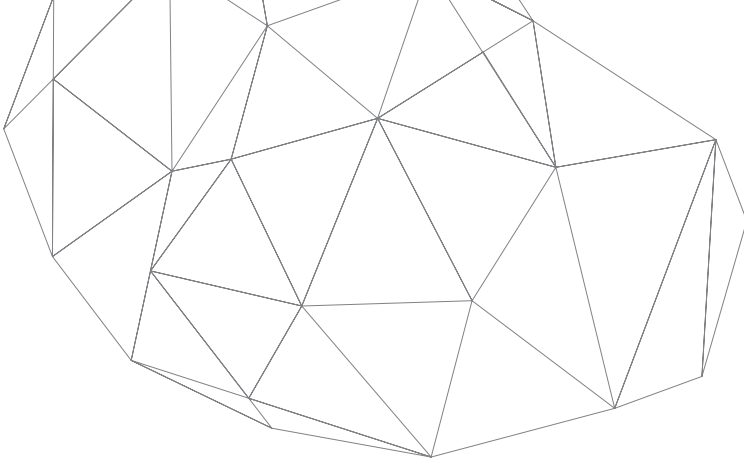
UTILISATION OF PROCEEDS FROM CORPORATE PROPOSAL

No proceeds were raised from such exercise during the financial year 30 September 2013.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year, no activities were conducted by the Group in relation to Corporate Social Responsibility. However, the Group has, from time to time, contributed to humanitarian causes through donations and sponsorships.

Moving forward, the Group will embark on the establishment of a Foundation to fulfill the Company's responsibilities towards uplifting the less privileged members of our society.



A modern landscaped rooftop pool area at dusk. The scene features a large, calm swimming pool in the foreground, reflecting the sky and surrounding greenery. In the middle ground, there is a wooden deck with several circular, illuminated water features and a central fountain. Two tall, slender trees stand prominently on either side of the pool. The background shows a city skyline with the Petronas Twin Towers visible under a twilight sky.

Thematic landscaping

reinforces the charm & benefits of nature



AUDIT COMMITTEE REPORT

MEMBERSHIP OF THE AUDIT COMMITTEE

The Audit Committee which served during the financial year ended 30 September 2013 comprised:

- Datuk Che Mokhtar Bin Che Ali (Chairman, Independent Non-Executive Director);
- Mr. Woon See Chin (Member, Independent Non-Executive Director); and
- Mr. Tee Boon Hin (Member, Independent Non-Executive Director).

The above-named Audit Committee members resigned from the Board on 28 November 2013.

The present Audit Committee comprises three (3) Directors who were all appointed on 29 November 2013, as follows:

- Mr. Tang Kin Kheong (Chairman, Senior Independent Non-Executive Director);
- Tan Sri Lee Lam Thye (Member, Independent Non-Executive Director); and
- Dato' Idrose bin Mohamed (Member, Independent Non-Executive Director)

MEETINGS

The number of Audit Committee meetings held during the financial year ended 30 September 2013 and the attendance of each Audit Committee member are as follows:-

	No. of Meetings Held	Attendance
Datuk Che Mokhtar Bin Che Ali (Resigned on 28/11/2013)	4	4/4
Mr. Woon See Chin (Resigned on 28/11/2013)	4	4/4
Mr. Tee Boon Hin (Resigned on 28/11/2013)	4	4/4

COMPOSITION AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE

Composition

The Board shall appoint the Audit Committee from amongst themselves. The Audit Committee shall, comprise no fewer than three (3) non-executive directors. The majority of the Audit Committee members shall be independent directors.

In this respect, the Board adopts the definition of "independent director" as set out in the Main LR and any practice notes issued thereto.

AUDIT COMMITTEE REPORT (cont'd)

All members of the Audit Committee have a working familiarity with basic finance and accounting practices, and at least one (1) member of the Audit Committee shall be:-

- (a) a member of the Malaysian Institute of Accountant ("MIA"); or
- (b) if he is not a member of MIA, he must have at least three (3) years of working experience and:
 - i. he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - ii. he must be a member of one of the associations of the accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
- (c) fulfils such other requirements as prescribed by Bursa Securities.

No alternate director of the Board shall be appointed as a member of the Audit Committee.

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

Chairman

The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an independent director.

In the absence of the Chairman of the Audit Committee, the other members of the Audit Committee shall amongst themselves elect a Chairman who must be an independent director to chair the meeting.

The Chairman of the Audit Committee shall engage on a continuous basis with the Chairman, the President/Chief Executive Officer, the Chief Financial Officer ("CFO"), other senior members of management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.

Meetings

The Audit Committee shall meet at least 4 times annually, or more frequently, at its discretion.

Upon the request of the external auditors, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matter the external auditors believe should be brought to the attention of the Audit Committee.

Notice of Audit Committee meetings shall be given to all the Audit Committee members unless the members of the Audit Committee waive such requirement.

The CFO, the head of internal audit and a representative of the external auditors will normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Audit Committee.

At least twice a year and whenever necessary, the Audit Committee shall meet with the external auditors without the presence of executive Board members or management personnel.

AUDIT COMMITTEE REPORT (cont'd)

Questions arising at any meeting of the Audit Committee shall be decided by a majority of members present, and in the case of a tie, the Chairman of the Audit Committee shall have a second or casting vote.

The Company Secretary shall be the Secretary of the Audit Committee.

Quorum

The quorum for the Audit Committee meeting shall be the majority of members present whom must be independent directors.

Minutes

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Audit Committee and also to the other members of the Board. The minutes of the Audit Committee meeting shall be signed by the Chairman of the said meeting or by the Chairman of the next succeeding meeting.

The Chairman shall orally report on the proceedings of on each Audit Committee meeting to the Board at the next Board meeting following the Audit Committee Meeting.

Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board and at the expense of the Company,

- (a) have explicit authority to investigate any matter within its terms of reference, and the resources to do so. All employees shall be directed to co-operate as requested by members of the Audit Committee.
- (b) have full and unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal and external auditors and senior management.
- (c) obtain independent professional advice and secure the attendance of outsiders with relevant experience at its meetings, if necessary.
- (d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any).
- (e) convene meetings with the external auditors, without the attendance of any executive member of the Audit Committee, whenever deemed necessary.

Duties and Responsibilities

The duties and responsibilities of the Audit Committee are as follows:-

- (a) To consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal;
- (b) To discuss with the external auditors before the audit commences, their audit plan, the nature and scope of the audit;
- (c) To review the external auditors' management letter and management's response;

AUDIT COMMITTEE REPORT (cont'd)

- (d) The assistance given by the employees of the listed issuer to the external auditor;
- (e) To review with the external auditors their evaluation of the system of internal controls and their audit report;
- (f) To consider the major findings of internal investigations and management's response;
- (g) To review the quarterly and year-end financial statements of the Board, focusing particularly on:–
 - any change in accounting policies and practices;
 - significant adjustments arising from the audit;
 - the going concern assumption; and
 - compliance with accounting standards and other legal requirements.
- (h) To report its findings on the financial and management performance, and other material matters to the Board;
- (i) To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary);
- (j) To do the following, in relation to the internal audit function:–
 - review the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work;
 - review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
 - review any appraisal or assessment of the performance of members of the internal audit function;
 - approve any appointment or termination of senior staff members of the internal audit function; and
 - take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
- (k) To determine the remit of the internal audit function;
- (l) To advise the Board of Directors and make recommendations in respect of risk management as to the following matters:
 - To monitor risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board;
 - Review the Risk Register and ensure that all risks are well managed;
 - Review the enterprise risk scorecard and determine the risks to be escalated to the Board once a year; and
 - Provide a consolidated risk and assurance report to the Board to support the statement relating to internal control in the Company's annual report.
- (m) To consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

AUDIT COMMITTEE REPORT (cont'd)

- (n) To verify the allocation of employee share plan/employees' share option scheme ("ESOS") in compliance with the criteria as stipulated in the by-laws of ESOS of the Company, if any;
- (o) To consider other topics as defined by the Board; and
- (p) To consider and examine such other matters as the Audit Committee considers appropriate.

The Audit Committee has no executive powers to implement its recommendations on behalf of the Board but to report its recommendations back to the Board for its consideration and implementation.

Where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Main LR, the Audit Committee has the responsibility of promptly reporting such matter to Bursa Securities.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year under review, the Audit Committee carried out the following main activities in the discharge of its functions and duties.

1. **Financial statements**

- (a) Reviewed the quarterly financial reports before presenting to the Board for approval; and
- (b) Reviewed the year-end financial statements of the Group and ensure that the financial reporting and disclosure requirements of the relevant authorities are duly complied with.

2. **Matters relating to External Audit**

- (a) Reviewed the external auditors' audit planning memorandum for the Company and Group covering the audit objectives and approach, key audit areas and relevant accounting standards issued by the Malaysian Accounting Standard Board and other relevant technical pronouncement.
- (b) Reviewed the results of the audit, audit reports and findings on the financial and management performance of the Company and Group and reported to the Board of Directors.
- (c) Reviewed the external auditors' evaluation of system of internal controls, management letter on internal control recommendations and management's response (if any).
- (d) Evaluated the performance of external auditors and made recommendations to the Board on their re-appointment, scope of work and audit fee.

3. **Matters relating to Internal Audit**

- (a) Reviewed the annual audit plan to ensure adequate scope and coverage on the activities of the Group based on the identified and assessed key risk areas.

AUDIT COMMITTEE REPORT (cont'd)

(b) Reviewed the internal audit reports in respect of the audit recommendations, management responses as well as actions taken to improve the system of internal control and procedures. Report to the Board on major findings from the internal audit reports and made recommendations to the Board for consideration and approval of the internal audit reports.

(c) Assessed the performance of the internal auditors and made recommendations to the Board on their re-appointment, scope of work and fees.

4. **Risk Management**

(a) Reviewed the risk register and enterprise risk scorecard prepared by the Management to ensure that all risk are well managed and reported to the Board.

(b) Provided a consolidated risk and assurance report to the Board to support the statement relating to internal control in the Company's annual report.

5. **Other activities**

(a) Reviewed the disclosure of any related party transactions that arose within the Group and reported the relevant related party transactions.

INTERNAL AUDIT FUNCTIONS

The internal audit function of the Company is outsourced to KPMG Management & Risk Consulting Sdn. Bhd., an independent professional services firm which reports directly to the Audit Committee. The principal responsibility of the Internal Auditor is to undertake regular and systematic reviews of the system of internal control so as to provide reasonable assurance that this system is adequate and effective, and continue to operate satisfactorily.

KPMG Management & Risk Consulting Sdn. Bhd.'s current 2-year mandate as the Company's Internal Auditor expires on 30 September 2014.

The Internal Auditor's scope of work is based on 5-phase approach as follows:

- Engagement initiation
- Internal audit planning
- Internal audit execution
- Reporting
- Engagement management and continuous improvement

The Internal Auditor uses a risk-based methodology approach based on global best practices and industry standards.

The internal audit plan has been reviewed and approved by the Audit Committee at the beginning of the financial year prior to execution.

The areas of audit conducted by the Internal Auditors during the financial year are as follows:

AUDIT COMMITTEE REPORT (cont'd)

1. Audit work on strategic management focusing on
 - communication of corporate objective or plan to line management and staff; and
 - accuracy, completeness and timeliness of information for Management and/or Board decision making.
2. Audit work on project management focusing on
 - illegal foreign workers deployed by contractors;
 - competency and reliability of contractors or consultants; and
 - workmanship.
3. Audit work on financial management focusing on
 - liquidity risk (cash flow constraints);
 - impairment of assets;
 - adverse fluctuations in interest rates on borrowings;
 - credit risk; and
 - adequacy of insurance coverage for unsold properties.
4. Audit work on human resource management focusing on
 - manpower;
 - competency or experience employees;
 - succession planning within the organisation; and
 - loss or leakage of critical and confidential information
5. Audit work on information management focusing on IT system.
6. Audit work on legal with regard to the compliance of the Main LR and property related regulations.
7. Other test of controls such as control over property, plant and equipment, payroll and review of bank reconciliation statements, including nature of reconciling items and timeliness of the resolution.
8. Follow-up on implementation status of previous cycle audit recommendation.

The Internal Audit reports incorporated the findings, recommendations for improvements, management action and implementation of the recommendations. Follow-up actions on the implementations were tabled at the Audit Committee and Board meetings for approval.

The total cost incurred in maintaining the Internal Audit function in 2013 was RM52,860.00.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The revised Malaysian Code on Corporate Governance (2012) requires the Board of Directors (“the Board”) of listed companies to maintain a sound system of internal control to safeguard shareholders’ investments and the Group’s assets. Set out below is the Board of Director’s Statement on Risk Management and Internal Control (“Statement”) for the financial year ended 30 September 2013 in compliance with paragraph 15.26(b) of the Main LR of Bursa Securities and Statement on Risk Management and Internal Control: Guidance for Directors of Public Listed Companies.

THE BOARD’S RESPONSIBILITY

The previous Board of Directors (“the Board”) recognises the importance of maintaining a sound system of internal control and risk management practices to ensure good corporate governance. Being committed in its responsibility to establish an appropriate control environment and framework for the Group, the Board regularly reviews the adequacy, effectiveness and integrity of the Group’s internal control system. However, such system is designed to manage rather than eliminate the risk of failure to achieve business objectives. As such, the system can only provide reasonable but not absolute assurance against material misstatement or loss to the Group.

Monitoring Mechanisms and Management Style

The Board acknowledges that good business management practice requires effective risk management. A sound system of internal control should be capable of managing principal risks of the Group and be embedded into the operations of the Group.

In striving to operate a system of internal control that will drive the Group towards achieving its goals, the Board has set in place an appropriate formal oversight structure that has an appropriate balance of both the Board and Management’s involvement in managing the Group. This was seen from the formal organisation structure which comprised of the Group Managing Director (“GMD”), Group Executive Director (“GED”) and management. The GMD and the GED actively communicate the Board’s expectations to management personnel at management meetings. At these meetings, operational and financial risks are discussed and dealt with.

The Board relies on the experienced GMD, GED and General Managers with relevant industry experience to run and manage the operations and business of the Group in an effective and efficient manner. The GMD, GED and Management of the Group practised a ‘hands on’ style in managing the businesses of the Group. This close-to-operations management style enables timely identification and reporting of any significant matters. Further, there is a staff handbook, which outlines policies and guidelines in relation to human resource matters.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

Monitoring Mechanisms and Management Style (Contd.)

Throughout the financial year, the Board has evaluated and managed the significant risks faced by the Group through the monitoring of the Group's operations, performance and profitability at its Board meetings. The Board has also delegated its fiduciary responsibility for overseeing the conduct of the Group's operations through its various Board Committees. All Board Committees have formal terms of references outlining the committee's functions and duties.

Risk Management

Notwithstanding the process and matters described above, the Board is committed towards the risk management framework that has been established to enable the systematic identification, assessment, treatment and monitoring of the principal risks of the Group that affect the achievement of the Group's business objectives within defined risk parameters and standards in a timely and effective manner.

The Enterprise Risk Management ("ERM") framework for the Group allows for a structured and focused approach in managing the Group's existing and emerging principal business risks and enables the adoption of a risk-based internal control system that is embedded within the Group.

The Group has an on-going risk management process undertaken by the Risk Manager to identify, review and update the business risk on a yearly basis. The review and assessment of the business risk are also assisted by the Group's Internal Auditor. New risks are identified and some of the existing risks are removed when they are no longer applicable. Risks are also re-rated depending on the risk impact on the Group and Company. The Risk Manager will then present the risk management report to the Audit Committee to highlight the areas of risks that are inherent in the business and the system of internal controls that is in place to manage these risks.

Other Key Elements of the Group's Internal Control System

Other key elements of Group's internal control system are described as below: -

- An annual budget is submitted to the Board for approval. Actual performance is reviewed against the budget;
- Several Board Committees have been set up to assist the Board in performing its oversight functions. These Committees are delegated with specific responsibilities which are specified in their terms of reference. They have authority to examine all matters within their scope of work and report to the Board with their recommendations.
- Scheduled Board level meetings, where the Board meets at least quarterly and other additional meetings as and when necessary to maintain full and effective supervision of the Group's activities and operations. The Board will go through the board papers and pertinent issues will be deliberated before arriving at the decision to be adopted by the Group;
- Scheduled meetings at both the management and operational levels, which are attended by the GED to deliberate and resolve business, financial and operational matters;
- Proper procedures governing the authority limits are effectively employed within the Group;
- Job description that defines the reporting lines and responsibilities are stipulated in the Company's Operating Manual;
- Policies and procedures manual, which acts as a comprehensive guide in carrying out daily tasks;
- Close monitoring of development progress through regular visits to sites by GMD, GED and management;
- Financial information and operational reports generated on a timely basis and deliberated at appropriate management meetings; and
- An independent outsourced Internal Audit Function to assess the adequacy and effectiveness of the Group's system of internal control.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (cont'd)

ASSURANCE MECHANISMS

The Audit Committee ("AC") performs periodic review and monitoring on the effectiveness of the Group's system of internal control. The Group has outsourced its internal audit function, which provides the AC with periodic reports, based on the audits conducted, highlighting observations, recommendations and management action plans to improve the Group's system of internal control. The internal audit function adopts a risk-based approach, which focuses on the principal risks affecting the key business processes of the Group identified during the ERM process.

In addition, AC also reviews and deliberates on any matters relating to internal control highlighted by the external auditors in the course of their statutory audit of the Financial Statements of the Group through management letters, or are articulated by the external auditors at the AC meeting.

The Report of the AC is set out on page 56 to 62, of this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This statement on Risk Management and Internal Control has been reviewed by the external auditors for inclusion in this Annual Report and nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board during the year ended 30 September 2013 in reviewing the adequacy and integrity of the system of the internal controls.

THE BOARD'S COMMITMENT

The new Board of Directors ("the new Board") recognises that the Group operates in a dynamic business environment in which the internal control system must be responsive in order to be able to continuously support its business objective. To achieve this end, the new Board remains committed towards maintaining a sound system of internal control and therefore recognises that the system must continuously evolve to support the growth and dynamics of the Group. As such, the new Board, in striving for continuous improvement, will put in place appropriate action plans, when necessary to further enhance the Group's system of internal control and to keep abreast with the ever-changing business environment.

CONCLUSION

The new Board has received assurance from the President/Chief Executive Officer and the Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, in accordance with the risk management framework and internal control system of the Group.

The new Board is of the view that there is no significant breakdown and weaknesses in the current system of internal controls of the Group that have resulted in material losses incurred by the Group for the financial year ended 30 September 2013.





THE ELEMENTS OF VALUE

We ensure value that surpasses mere numbers,
as well as merit and excellence at the heart of
everything we do



Intelligent home designs

to fully reap the benefits of nature



DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are as disclosed in Note 15 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit net of tax	24,267,813	5,523,092
Profit attributable to equity holders of the Company	24,267,813	5,523,092

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

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

DIVIDENDS

The amounts of dividends paid by the Company since 30 September 2012 were as follows:

	RM
In respect of the financial year ended 30 September 2012:	
First and final dividend of 1% less 25% taxation on 253,317,000 ordinary shares, paid on 23 April 2013.	<u>1,899,878</u>

At the forthcoming Annual General Meeting, a first and final single tier dividend of 1 sen in respect of the financial year ended 30 September 2013, of 1% on 253,317,000 ordinary shares, amounting to a total dividend payable of RM2,533,170 will be proposed for Shareholders' approval. The financial statements for the financial year under review do not reflect this proposed dividend. Such dividend, if approved by the Shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2014.

DIRECTORS' REPORT (cont'd)

DIRECTORS

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

Tan Sri Datuk Mohd Razali Bin Abdul Rahman

E. Seng Kiw @ Yee Oy Chong

Yee Yok Sen

Wan Mustapha Bin Wan Ismail

Phang Piow @ Pang Choo Ing

Pang Tin @ Pang Yon Tin

Dato' Chang Khim Wah (Appointed on 7 October 2013)

Heah Kok Boon (Appointed on 28 November 2013)

Datuk Che Mokhtar Bin Che Ali (Resigned on 28 November 2013)

Woon See Chin (Resigned on 28 November 2013)

Tee Boon Hin (Resigned on 28 November 2013)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Notes 7 and 8 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' REPORT (cont'd)

DIRECTORS' INTERESTS

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

Focal Aims Holdings Berhad	Number of ordinary shares of RM1 each			
	1 October 2012	Acquired	Sold	30 September 2013
Holding in the name of director, spouse or child				
Tan Sri Datuk Mohd Razali Bin Abdul Rahman	18,596,216	-	-	18,596,216
E. Seng Kiw @ Yee Oy Chong	42,787,831	-	-	42,787,831
Yee Yok Sen	9,457,776	-	-	9,457,776
Wan Mustapha Bin Wan Ismail	7,395,842	-	40,000	7,355,842
Phang Piow @ Pang Choo Ing	28,162,422	-	-	28,162,422
Pang Tin @ Pang Yon Tin	30,144,422	-	-	30,144,422
Woon See Chin	55,000	-	35,000	20,000
Tee Boon Hin	35,000	-	-	35,000

Deemed interests

Tan Sri Datuk Mohd Razali Bin Abdul Rahman	3,336	-	-	3,336
Wan Mustapha Bin Wan Ismail	53,381	-	53,300	81

Subsidiary - Focal Aims Sdn. Bhd.

Subsidiary - Focal Aims Sdn. Bhd.	Number of preference shares of RM1 each			
	1 October 2012	Acquired	Sold	30 September 2013
Holding in the name of director, spouse or child				
Tan Sri Datuk Mohd Razali Bin Abdul Rahman	250,000	-	-	250,000
E. Seng Kiw @ Yee Oy Chong	550,000	-	-	550,000
Yee Yok Sen	125,000	-	-	125,000
Wan Mustapha Bin Wan Ismail	250,000	-	-	250,000
Phang Piow @ Pang Choo Ing	375,000	-	-	375,000
Pang Tin @ Pang Yon Tin	375,000	-	-	375,000

E. Seng Kiw @ Yee Oy Chong by virtue of his interest in shares in the Company, is also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

The other director in office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps :
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

- (b) At the date of this report, the directors are not aware of any circumstances which would render :
 - (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent in respect of the financial statements of the Group and of the Company; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

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

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

- (e) As at the date of this report, there does not exist :
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT (cont'd)

OTHER STATUTORY INFORMATION (cont'd)

- (f) In the opinion of the directors :
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Significant events

Details of significant events are disclosed in Note 33 to the financial statements.

Auditors

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 28 November 2013.

E. Seng Kiw @ Yee Oy Chong

Wan Mustapha Bin Wan Ismail

STATEMENT BY DIRECTORS

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

We, E. Seng Kiw @ Yee Oy Chong and Wan Mustapha Bin Wan Ismail, being two of the directors of Focal Aims Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 10 to 52 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2013 and of their financial performance and cash flows for the year then ended.

The information set out in Note 35 on page 53 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 28 November 2013.

E. Seng Kiw @ Yee Oy Chong

Wan Mustapha Bin Wan Ismail

STATUTORY DECLARATION

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

I, Wan Mustapha Bin Wan Ismail, being the director primarily responsible for the financial management of Focal Aims Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 10 to 53 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed Wan Mustapha Bin Wan Ismail at)
Johor Bahru in the State of Johor Darul Ta'zim)
on 28 November 2013.)

Wan Mustapha Bin Wan Ismail

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

to the members of Focal Aims Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Focal Aims Holdings Berhad, which comprise the statements of financial position as at 30 September 2013 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 52.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

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

INDEPENDENT AUDITORS' REPORT (cont'd)

to the members of Focal Aims Holdings Berhad (Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (c) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

OTHER MATTERS

The supplementary information set out in Note 35 on page 53 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. 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.

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

Ernst & Young
AF 0039
Chartered Accountants

Lee Ming Li
2983/03/14 (J)
Chartered Accountant

Johor Bahru, Malaysia
Date: 28 November 2013

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 September 2013

	Note	Group		Company	
		2013	2012	2013	2012
		RM	RM	RM	RM
Revenue	4	156,325,502	65,286,005	2,000,000	-
Cost of sales	5	(108,034,011)	(43,298,738)	-	-
Gross profit		48,291,491	21,987,267	2,000,000	-
Other items of income		1,015,731	704,835	4,261,117	865,014
Other items of expense					
Administrative expenses		(15,805,672)	(11,788,129)	(714,692)	(546,616)
Finance costs	9	(3,898,225)	(2,809,074)	-	-
Profit before tax	6	29,603,325	8,094,899	5,546,425	318,398
Income tax expense	10	(5,335,512)	(893,224)	(23,333)	-
Profit net of tax, representing total comprehensive income for the year		24,267,813	7,201,675	5,523,092	318,398
Profit attributable to:					
Equity holders of the Company		24,267,813	7,201,675	5,523,092	318,398
Total comprehensive income attributable to:					
Equity holders of the Company		24,267,813	7,201,675	5,523,092	318,398
Earnings per share attributable to equity holders of the Company :					
- Basic (sen)	11	9.58	2.84		
- Diluted (sen)	11	9.58	2.84		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2013

	Note	Group		Company	
		2013 RM	2012 RM	2013 RM	2012 RM
Assets					
Non-current assets					
Property, plant and equipment	13	1,160,827	1,336,538	-	-
Land held for property development	14(a)	301,534,966	302,641,822	-	-
Investment in subsidiaries	15	-	-	170,017,000	166,817,000
		<u>302,695,793</u>	<u>303,978,360</u>	<u>170,017,000</u>	<u>166,817,000</u>
Current assets					
Property development costs	14(b)	82,211,800	106,087,360	-	-
Inventories	16	39,570,490	29,234,838	-	-
Trade and other receivables	17	29,097,538	34,009,270	55,689,218	57,145,611
Other current assets	18	10,409,802	11,057,966	53	53
Tax recoverable		-	-	160,126	259,202
Cash and bank balances	19	25,243,908	6,904,450	22,380	8,901
		<u>186,533,538</u>	<u>187,293,884</u>	<u>55,871,777</u>	<u>57,413,767</u>
Total assets		<u>489,229,331</u>	<u>491,272,244</u>	<u>225,888,777</u>	<u>224,230,767</u>
Equity and liabilities					
Current liabilities					
Trade and other payables	20	29,214,204	29,562,625	2,215,287	4,180,491
Loans and borrowings	21	47,460,154	30,115,562	-	-
Other current liabilities	22	10,730,704	24,220,406	-	-
Tax payable		3,699,336	243,256	-	-
		<u>91,104,398</u>	<u>84,141,849</u>	<u>2,215,287</u>	<u>4,180,491</u>
Net current assets		<u>95,429,140</u>	<u>103,152,035</u>	<u>53,656,490</u>	<u>53,233,276</u>
Non-current liabilities					
Other payables	20	15,330,425	14,313,050	-	-
Loans and borrowings	21	4,687,500	33,925,000	-	-
Deferred taxation	26	56,885,014	60,038,286	-	-
		<u>76,902,939</u>	<u>108,276,336</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>168,007,337</u>	<u>192,418,185</u>	<u>2,215,287</u>	<u>4,180,491</u>

STATEMENTS OF FINANCIAL POSITION (cont'd)

As at 30 September 2013

	Note	Group		Company	
		2013	2012	2013	2012
		RM	RM	RM	RM
Equity attributable to equity holders of the Company					
Share capital	23	253,317,000	253,317,000	253,317,000	253,317,000
Share premium	24	22,343	22,343	22,343	22,343
Retained earnings / (Accumulated losses)	24	65,382,651	43,014,716	(29,665,853)	(33,289,067)
		<u>318,721,994</u>	<u>296,354,059</u>	<u>223,673,490</u>	<u>220,050,276</u>
Non-controlling interests	25	2,500,000	2,500,000	-	-
Total equity		<u>321,221,994</u>	<u>298,854,059</u>	<u>223,673,490</u>	<u>220,050,276</u>
Total equity and liabilities		<u>489,229,331</u>	<u>491,272,244</u>	<u>225,888,777</u>	<u>224,230,767</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 September 2013

<----- Attributable to equity holders of the Company ----->						
Note	Equity, total RM	Total RM	<--- Non-Distributable --->		Distributable	Non-
			Share capital RM	Share premium RM	Retained earnings RM	controlling interests RM
At 1 October 2012	298,854,059	296,354,059	253,317,000	22,343	43,014,716	2,500,000
Total comprehensive income	24,267,813	24,267,813	-	-	24,267,813	-
Dividends	(1,899,878)	(1,899,878)	-	-	(1,899,878)	-
At 30 September 2013	<u>321,221,994</u>	<u>318,721,994</u>	<u>253,317,000</u>	<u>22,343</u>	<u>65,382,651</u>	<u>2,500,000</u>
At 1 October 2011	291,652,384	289,152,384	253,317,000	22,343	35,813,041	2,500,000
Total comprehensive income	7,201,675	7,201,675	-	-	7,201,675	-
At 30 September 2012	<u>298,854,059</u>	<u>296,354,059</u>	<u>253,317,000</u>	<u>22,343</u>	<u>43,014,716</u>	<u>2,500,000</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 September 2013

Note	<----- Non-Distributable ----->			
	Equity, total RM	Share capital RM	Share premium RM	Accumulated losses RM
At 1 October 2012	220,050,276	253,317,000	22,343	(33,289,067)
Total comprehensive income	5,523,092	-	-	5,523,092
Dividend	(1,899,878)	-	-	(1,899,878)
At 30 September 2013	<u>223,673,490</u>	<u>253,317,000</u>	<u>22,343</u>	<u>(29,665,853)</u>
At 1 October 2011	219,731,878	253,317,000	22,343	(33,607,465)
Total comprehensive income	318,398	-	-	318,398
At 30 September 2012	<u>220,050,276</u>	<u>253,317,000</u>	<u>22,343</u>	<u>(33,289,067)</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 30 September 2013

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Operating activities				
Profit before tax	29,603,325	8,094,899	5,546,425	318,398
Adjustments for :				
Reversal of impairment for investment in subsidiary	-	-	(3,200,000)	-
Reversal of allowance for impairment on receivables	-	-	(1,055,851)	(865,014)
Depreciation	245,331	296,281	-	-
Finance costs	3,898,225	2,809,074	-	-
Interest income	(590,295)	(196,010)	-	-
Property, plant and equipment written off	1,557	1,587	-	-
Gain on disposal of property, plant and equipment	(1,047)	(3,399)	-	-
Reversal of impairment on property development cost	-	(952,293)	-	-
Provision for foreseeable losses for affordable housing	1,778,947	108,766	-	-
Operating cash flows before changes in working capital	34,936,043	10,158,905	1,290,574	(546,616)
Property development expenditure	25,483,323	(6,771,985)	-	-
Inventories	(11,881,775)	(660,441)	-	-
Receivables	5,559,896	(30,927,215)	-	1,756
Payables	(12,820,749)	36,892,857	49,796	5,358
Cash flows generated from/ (used in) operations	41,276,738	8,692,121	1,340,370	(539,502)
Dividend paid	(1,899,878)	-	(1,899,878)	-
Interest received	590,295	196,010	-	-
Finance costs paid	(4,631,956)	(5,124,535)	-	-
Income taxes paid	(5,143,815)	(139,861)	-	-
Income taxes refunded	111,112	149,758	75,743	-
Net cash flows generated from/ (used in) operating activities	30,302,496	3,773,493	(483,765)	(539,502)

STATEMENTS OF CASH FLOWS (cont'd)

For the financial year ended 30 September 2013

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Investing activities				
Purchase of property, plant and equipment	(72,710)	(76,725)	-	-
Proceeds from disposal of property, plant and equipment	2,580	3,900	-	-
Advances from subsidiary companies	-	-	497,244	546,291
Net cash flows (used in)/generated from investing activities	(70,130)	(72,825)	497,244	546,291
Financing activities				
Drawdown of term loans	9,200,000	14,200,000	-	-
Drawdown/(Repayment) of revolving credit	13,300,000	(9,539,968)	-	-
Repayment of term loans	(33,684,482)	(10,128,085)	-	-
Net cash flows used in financing activities	(11,184,482)	(5,468,053)	-	-
Net increase/(decrease) in cash and cash equivalents	19,047,884	(1,767,385)	13,479	6,789
Cash and cash equivalents at 1 October	(8,112,216)	(6,344,831)	8,901	2,112
Cash and cash equivalents at 30 September (Note 19)	10,935,668	(8,112,216)	22,380	8,901

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2013

1. Corporate 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 registered office and principal place of business of the Company is located at Suite 338, 3rd Floor, Johor Tower, Jalan Gereja, 80100 Johor Bahru, Johor Darul Ta'zim.

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are as disclosed in Note 15 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

2. Summary of significant accounting policies

2.1 Basis of preparation

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 registered office and principal place of business of the Company is located at Level 7, Manara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur Wilayah Persekutuan.

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are as disclosed in Note 15 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except for the following:

On 1 October 2012, the Group and the Company adopted the following new and amended FRS and IC Interpretations:

FRS, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2012

FRS 124: Related Party Disclosures

Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters

Amendments to FRS 7: Transfers of Financial Assets

Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

FRS, Interpretations and Amendments effective for annual periods beginning on or after 1 July 2012

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

The adoption of the above new and amended standards did not have any significant effect on the financial performance or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.3 Standards issued but not yet effective

The Group and the Company have not adopted the following standards and interpretations that have been issued but are not yet effective :

	Effective for annual periods beginning on or after
Amendments to FRS 101: Presentation of Financial Statements (Improvements to FRSs (2012))	1 January 2013
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
Amendment to IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments (Improvements to FRSs (2012))	1 January 2013
IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards – Government Loans	1 January 2013
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 116: Property, Plant and Equipment (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 132: Financial Instruments: Presentation (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 134: Interim Financial Reporting (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to FRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to FRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
IC Interpretation 21: Levies	1 January 2014
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
Amendments to FRS 136: Recoverable Amount Disclosure for Non-Financial Assets	1 January 2014
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
FRS 9 Financial Instruments	1 January 2015

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

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

The Group and the Company fall within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. The Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 September 2016. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively, against opening retained profits.

The Group and the Company have not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 30 September 2013 could be different if prepared under the MFRS Framework.

The Group and the Company consider that it is achieving its scheduled milestones and expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 September 2016.

2.4 Basis of consolidation

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.4 Basis of consolidation (cont'd)

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

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

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

2.5 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.6 Transactions with non-controlling interest

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

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

2.7 Property, plant and equipment

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

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.7 Property, plant and equipment (cont'd)

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates :

Motor vehicles	20%
Office equipment and fittings	10% - 33%
Other assets	20%

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.8 Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

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

2.9 Property development costs

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

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

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

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

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

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings and the excess of billings to purchasers over revenue recognised in the profit or loss is classified as progress billings.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.10 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows [cash-generating units ("CGU")].

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

Impairment losses are recognised in profit or loss.

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

2.11 Inventories

Inventories consist of unsold properties and are stated at lower of cost and net realisable value.

Cost is determined on the specific identification basis and comprises costs associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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

2.12 Financial assets

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

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

The Group and the Company determine the classification of their financial assets at initial recognition. The Group and the Company classify their financial assets as loans and receivables.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.12 Financial assets (cont'd)

Loans and receivables

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

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

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

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

2.13 Impairment of financial assets

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

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

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

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

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

2.14 Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.15 Provisions

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

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

2.16 Financial liabilities

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

Financial liabilities, within the scope of FRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as other financial liabilities.

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

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

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

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

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

2.17 Financial guarantee contracts

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.18 Borrowing costs

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

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

2.19 Employee benefits

(a) Defined contribution plans

The Group makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) 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. Employee entitlements to annual leave are recognised as liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting date.

2.20 Revenue recognition

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

(a) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.9.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

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

2.21 Income tax

(a) Current tax

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

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

(b) Deferred tax

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

2.21 Income tax (cont'd)

(b) Deferred tax (cont'd)

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

(c) Sales tax

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

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

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

2.22 Share capital and share issuance expenses

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

3. Significant accounting judgements and estimates

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

3.1 Key sources of estimation uncertainty

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

(a) Property development

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

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

The carrying amounts of the assets arising from property development activities are disclosed in Note 14.

(b) Provision for foreseeable losses for affordable houses

The Group recognises a provision for foreseeable losses for affordable houses as required under FRSIC Consensus 17 Development of Affordable Housing. The provision for foreseeable losses for affordable houses represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis. This provision is capitalised in the form of common costs for development of premium housing based on the master and building plans approved.

In determining the provision for foreseeable losses for affordable houses, judgements and assumptions are made by the Group on the structure and construction costs in constructing the affordable houses. In making those judgements, the Group evaluates the provisions based on past experience and by relying on the work of specialists.

(c) Impairment of loans and receivables

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

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the reporting date is disclosed in Note 17.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

4. Revenue

Revenue of the Group represents sales of development properties net of discounts and the revenue from the Company represents dividend income received from subsidiary.

5. Cost of sales

	Group	
	2013	2012
	RM	RM
Property development costs (Note 14(b))	104,701,655	42,024,518
Cost of inventories sold	3,332,356	1,274,220
	<u>108,034,011</u>	<u>43,298,738</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

6. Profit before tax

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

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Auditors' remuneration				
- statutory audits	90,000	85,500	36,000	35,000
- other services	47,900	41,100	11,400	11,400
Depreciation (Note 13)	245,331	296,281	-	-
Directors' remuneration (Note 8)	2,778,860	2,096,774	350,300	282,100
Interest income	(590,295)	(196,010)	-	-
Property, plant and equipment written off	1,557	1,587	-	-
Reversal of allowance for impairment on receivables (Note 17)	-	-	(1,055,851)	(865,014)
Gain on disposal of property, plant and equipment	(1,047)	(3,399)	-	-
Rental expense	279,610	273,500	-	-
Reversal of impairment on property development cost (Note 14 (b))	-	(952,293)	-	-
Reversal of impairment for investment in subsidiary	-	-	(3,200,000)	-
Provision for foreseeable losses for affordable housing	1,778,947	108,766	-	-
Employee benefits expense (Note 7)	7,322,876	3,852,238	95,300	27,100

7. Employee benefits expense

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Salaries and allowances	6,529,235	3,411,697	95,300	27,100
Defined contribution plan	760,946	409,754	-	-
Social security contributions	32,695	30,787	-	-
	7,322,876	3,852,238	95,300	27,100

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

8. Directors' remuneration

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Directors of the Company				
Executive :				
Salaries and other emoluments	1,282,680	1,318,588	-	-
Bonus	554,940	-	-	-
Defined contribution plan	269,730	186,486	-	-
	<u>2,107,350</u>	<u>1,505,074</u>	<u>-</u>	<u>-</u>
Non-Executive (but holding executive position in subsidiaries) :				
Salaries and other emoluments	321,210	309,600	-	-
Fees	70,000	70,000	70,000	70,000
	<u>391,210</u>	<u>379,600</u>	<u>70,000</u>	<u>70,000</u>
Independent Non-Executive :				
Other emoluments	95,300	27,100	95,300	27,100
Fees	185,000	185,000	185,000	185,000
	<u>280,300</u>	<u>212,100</u>	<u>280,300</u>	<u>212,100</u>
Total directors' remuneration (Note 6)	<u>2,778,860</u>	<u>2,096,774</u>	<u>350,300</u>	<u>282,100</u>

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

	Number of Directors	
	2013	2012
Executive directors :		
RM600,001 - RM650,000	-	1
RM650,001 - RM700,000	-	-
RM850,001 - RM900,000	1	1
RM900,001 - RM950,000	-	-
RM1,200,001 - RM1,250,000	1	-
Non- executive directors :		
RM50,000 and below	1	5
RM50,001 - RM100,000	4	-
RM150,001 - RM200,000	2	2

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

9. Finance costs

	Group	
	2013 RM	2012 RM
Interest expense on borrowings	4,631,956	5,124,535
Less : Interest expense capitalised in property development costs (Note 14)	(1,713,004)	(2,315,461)
Add: Write off of interest expenses capitalised in land held for development (Note 14(a))	979,273	-
	3,898,225	2,809,074

10. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 September 2013 and 2012 are:

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Statement of comprehensive income:				
Current year income tax:				
Income tax expense for the year	8,459,996	861,556	-	-
Under/(over) provision in prior year	28,788	(2,630)	23,333	-
	8,488,784	858,926	23,333	-
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	(3,153,272)	34,298	-	-
Income tax expense recognised in profit or loss	5,335,512	893,224	23,333	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

10. Income tax expense (cont'd)

Reconciliation between income tax and accounting results

The reconciliation between income tax expense and the product of accounting results multiplied by the applicable corporate tax rate for the years ended 30 September 2013 and 2012 are as follows:

Group	2013 RM	2012 RM
Profit before tax	29,603,325	8,094,899
Taxation at Malaysian statutory tax rate of 25% (2012 : 25%)	7,400,831	2,023,725
Adjustments :		
Effect of expenses not deductible for tax purposes	987,739	234,503
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(1,777,354)	(1,469,799)
Deferred tax assets not recognised in respect of current year tax losses	110,508	80,233
Deferred tax assets not recognised on provision for foreseeable losses	-	27,192
Deferred tax assets recognised for provision for foreseeable losses	(1,415,000)	
Under/(Over) provision of tax expense in prior years	28,788	(2,630)
Income tax recognised in profit or loss	5,335,512	893,224
Company		
Profit before tax	5,546,425	318,398
Taxation at Malaysian statutory tax rate of 25% (2012 : 25%)	1,386,606	79,600
Adjustments :		
Expenses not deductible for tax purposes	66,849	56,421
Income not subject to tax	(1,563,963)	(216,254)
Deferred tax assets not recognised in respect of current year tax losses	110,508	80,233
Underprovision of tax expense in prior years	23,333	-
Income tax recognised in profit or loss	23,333	-

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

11. Earnings per share

Earnings per ordinary share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2013	2012
	RM	RM
Profit attributable to ordinary equity holders of the Company (RM)	24,267,813	7,201,675
Weighted average number of ordinary shares in issue	253,317,000	253,317,000
Basic earnings per share (sen)	9.58	2.84

No diluted earnings per share have been presented as there were no diluted potential ordinary shares outstanding as at 30 September 2013 and 2012.

12. Dividends

	Dividend in respect of year		Dividends Recognised in Year	
	2013	2012	2013	2012
	RM	RM	RM	RM
Recognised during the financial year:				
First and Final dividend of 1% less 25% taxation on 253,317,000 ordinary shares (0.75 sen per share)	-	1,899,878	1,899,878	-
Proposed for approval at AGM (not recognised as a liability as at 30 September 2013)				
First and Final single tier dividend of 1% on 253,317,000 ordinary shares (1 sen per share)	2,533,170	-	-	-

At the forthcoming Annual General Meeting, a first and final single tier dividend of 1 sen in respect of the financial year ended 30 September 2013, of 1% on 253,317,000 ordinary shares, amounting to a total dividend payable of RM2,533,170 will be proposed for Shareholders' approval. The financial statements for the financial year under review do not reflect this proposed dividend. Such dividend, if approved by the Shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 September 2014.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

13. Property, plant and equipment

Group	Motor vehicles RM	Office equipment and fittings RM	* Other assets RM	Total RM
Cost				
At 1 October 2011	3,913,311	1,649,317	683,738	6,246,366
Additions	4,174	33,461	39,090	76,725
Disposal	(4,159)	(10,500)	-	(14,659)
Written off	-	(26,212)	(670)	(26,882)
Reclassification	-	(20,031)	20,031	-
At 30 September 2012 and 1 October 2012	3,913,326	1,626,035	742,189	6,281,550
Additions	20,944	31,662	20,104	72,710
Disposal	(16,936)	(950)	-	(17,886)
Written off	-	(59,457)	(43,991)	(103,448)
At 30 September 2013	3,917,334	1,597,290	718,302	6,232,926
Accumulated depreciation				
At 1 October 2011	2,765,523	1,463,268	459,393	4,688,184
Charge for the year (Note 6)	165,372	67,682	63,227	296,281
Disposal	(3,659)	(10,499)	-	(14,158)
Written off	-	(24,703)	(592)	(25,295)
Reclassification	-	(7,841)	7,841	-
At 30 September 2012 and 1 October 2012	2,927,236	1,487,907	529,869	4,945,012
Charge for the year (Note 6)	102,906	65,804	76,621	245,331
Disposal	(15,435)	(918)	-	(16,353)
Written off	-	(58,995)	(42,896)	(101,891)
At 30 September 2013	3,014,707	1,493,798	563,594	5,072,099
Net carrying amount				
At 30 September 2012	986,090	138,128	212,320	1,336,538
At 30 September 2013	902,627	103,492	154,708	1,160,827

* Other assets comprise office renovation, site office equipment and communication equipment.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

14. Land held for property development and property development costs

(a) Land held for property development

	Group	
	2013	2012
	RM	RM
Cost		
Freehold land	276,352,013	283,834,348
Development expenditure	26,289,809	34,945,130
At 1 October 2012/2011	302,641,822	318,779,478
Addition	5,703,487	142,174
Transfer from property development costs (Note 14(b))	14,362,288	-
Write off of interest capitalised (Note 9)	(979,273)	-
Transfer to property development costs (Note 14(b))	(20,193,358)	(16,279,830)
At 30 September	301,534,966	302,641,822

(b) Property development costs

	Group	
	2013	2012
	RM	RM
Cumulative property development costs		
Freehold land	49,703,515	46,658,007
Development expenditure	82,126,846	48,938,698
At 1 October 2012/2011	131,830,361	95,596,705
Development expenditure incurred during the year	86,995,809	52,675,330
Transfer to land held for property development (Note 14(a))	(14,362,288)	-
Transfer from land held for property development (Note 14(a))	20,193,358	16,279,830
Reversal of completed projects	(78,252,395)	(30,911,868)
Transfers to inventories	(12,000,784)	(1,809,636)
	134,404,061	131,830,361
Cumulative costs recognised in profit or loss		
At 1 October 2012/2011	(25,743,001)	(15,582,644)
Recognised during the year (Note 5)	(104,701,655)	(42,024,518)
Reversal of impairment losses (Note 6)	-	952,293
Reversal of completed projects	78,252,395	30,911,868
At 30 September	(52,192,261)	(25,743,001)
Property development costs at 30 September	82,211,800	106,087,360

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

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

	Group	
	2013	2012
	RM	RM
Included in property development costs incurred during the financial year is:		
Interest expense (Note 9)	1,713,004	2,315,461

Land held for property development and property development costs are pledged as security for borrowings as referred to in Note 21.

15. Investment in subsidiaries

	Company	
	2013	2012
	RM	RM
Unquoted shares, at cost	170,017,000	170,017,000
Allowance for impairment losses	-	(3,200,000)
	170,017,000	166,817,000

The subsidiaries, all of which were incorporated in Malaysia, are as follows :

Name of subsidiaries	Equity interest held		Principal activities
	2013	2012	
Focal Aims Land Sdn. Bhd.	100%	100%	Property development
Focal Aims Properties Sdn. Bhd. ("FAPSB")	100%	100%	Investment holding
Subsidiary of FAPSB :			
Focal Aims Sdn. Bhd. ("FASB")	100%	100%	Property investment and development
Subsidiaries of FASB :			
Focal Aims Realty Sdn. Bhd.	100%	100%	Dormant
Focal Aims Development Sdn. Bhd.	100%	100%	Dormant
Focal Aims Resort (M) Sdn. Bhd.	100%	100%	Dormant

16. Inventories

These comprise completed properties held for sale stated at cost.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

17. Trade and other receivables

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Current				
Trade receivables				
Third parties	28,337,933	33,290,607	-	-
Other receivables				
Amount due from subsidiaries	-	-	55,684,718	58,196,962
Less: Allowance for impairment	-	-	-	(1,055,851)
	-	-	55,684,718	57,141,111
Deposits	536,305	556,519	4,500	4,500
Other receivables	223,300	162,144	-	-
	759,605	718,663	55,689,218	57,145,611
Total trade and other receivables	29,097,538	34,009,270	55,689,218	57,145,611
Total trade and other receivables	29,097,538	34,009,270	55,689,218	57,145,611
Add: Cash and bank balances (Note 19)	25,243,908	6,904,450	22,380	8,901
Total loans and receivables	54,341,446	40,913,720	55,711,598	57,154,512

(a) Trade receivables

The Group's normal trade credit term ranges from 21 to 90 days (2012: 21 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Ageing analysis of trade receivables

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

	Group	
	2013 RM	2012 RM
Neither past due nor impaired	8,863,174	14,962,198
1 to 14 days past due not impaired	1,076,182	4,395,238
15 to 28 days past due not impaired	7,158,110	1,540,555
29 to 46 days past due not impaired	1,979,947	2,602,132
47 to 76 days past due not impaired	4,210,276	3,556,733
77 to 106 days past due not impaired	3,275,061	5,822,580
More than 107 days past due not impaired	1,775,183	411,171
	19,474,759	18,328,409
	28,337,933	33,290,607

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

17. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. These include amounts of RM3,749,668 (2012: RM3,004,607) placed with lawyers as stakeholder deposits and will be released upon the end of defect liability period. None of these balances have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM19,474,759 (2012: RM18,328,409) that are past due at the reporting date but not impaired. The amounts are due from creditworthy customers and based on past experience, the Board believes that no allowance for impairment is necessary. The management is closely monitoring the recoverability of these debts. All receivables are unsecured in nature.

Receivables that are impaired

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

	Company Individually impaired	
	2013 RM	2012 RM
Trade receivables- nominal amounts	10,110,851	1,185,851
Less: Allowance for impairment	-	(1,055,851)
	<u>10,110,851</u>	<u>130,000</u>

Movement in allowance accounts:

	Company	
	2013 RM	2012 RM
At 1 October 2012/2011	1,055,851	1,920,865
Reversal of allowance for impairment losses (Note 6)	(1,055,851)	(865,014)
At 30 September	<u>-</u>	<u>1,055,851</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

17. Trade and other receivables (cont'd)

(b) Amount due from subsidiaries

The amount due from subsidiaries which arose from advances, is unsecured, interest-free and has no fixed terms of repayment.

18. Other current assets

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Prepaid operating expenses	634,744	494,332	53	53
Accrued billings in respect of property development costs	6,224,262	2,333,266	-	-
Accrued rebates in respect of development properties sold	3,550,796	8,230,368	-	-
	10,409,802	11,057,966	53	53

19. Cash and cash equivalents

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Cash on hand and at banks	21,046,470	6,904,450	22,380	8,901
Short term deposits with licensed bank	4,197,438	-	-	-
Cash and bank balances (Note 17)	25,243,908	6,904,450	22,380	8,901
Bank overdrafts (Note 21)	(14,308,240)	(15,016,666)	-	-
Cash and cash equivalents	10,935,668	(8,112,216)	22,380	8,901

Included in cash and bank balances of the Group are restricted bank balances amounting to RM6,715,282 (2012: RM2,496,235) being monies held pursuant to Section 7A of the Housing Developers (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

The weighted average effective interest rate of the short term deposits with licensed banks is 1.90%. The maturity period for short term deposit with licensed banks is 7 days.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

20. Trade and other payables

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Current				
Trade payables				
Trade payables	21,448,682	24,605,820	-	-
Accruals	4,314,505	2,750,864	-	-
	<u>25,763,187</u>	<u>27,356,684</u>	<u>-</u>	<u>-</u>
Other payables				
Accruals	1,139,470	1,305,420	326,200	305,160
Deposit received	162,169	145,904	-	-
Payroll liability	630,920	266,016	-	-
Provision for directors' bonus	569,970	60,480	-	-
Other payables	948,488	428,121	45,787	17,031
Amount due to a subsidiary	-	-	1,843,300	3,858,300
	<u>3,451,017</u>	<u>2,205,941</u>	<u>2,215,287</u>	<u>4,180,491</u>
	<u>29,214,204</u>	<u>29,562,625</u>	<u>2,215,287</u>	<u>4,180,491</u>
Non-current				
Other payables				
Provision for foreseeable losses for affordable housing	15,330,425	14,313,050	-	-
Total trade and other payables (current and non-current)	44,544,629	43,875,675	2,215,287	4,180,491
Add: Loans and borrowings (Note 21)	52,147,654	64,040,562	-	-
Total financial liabilities carried at amortised cost	<u>96,692,283</u>	<u>107,916,237</u>	<u>2,215,287</u>	<u>4,180,491</u>

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2012: 30 to 90 days).

The amount due to a subsidiary is unsecured, interest-free and has no fixed terms of repayment.

The provision for foreseeable losses represents the present obligation for construction of low and low-medium cost houses that are required by Pejabat Tanah dan Galian Negeri Johor. The construction is not expected to be launched within the next twelve months.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

21. Loans and borrowings

	Group	
	2013	2012
	RM	RM
Current		
Secured :		
Revolving credits	19,910,989	6,610,989
Bank overdrafts	14,308,240	15,016,666
Term loans	13,240,925	8,487,907
	47,460,154	30,115,562
Non-current		
Secured :		
Term loans	4,687,500	33,925,000
Total loans and borrowings	52,147,654	64,040,562

The remaining maturities of the loans and borrowings as at 30 September 2013 are as follows:

	Group	
	2013	2012
	RM	RM
On demand or within one year	47,460,154	30,115,562
More than 1 year and less than 5 years	4,687,500	33,925,000
	52,147,654	64,040,562

The loans and borrowings are secured by :

- i) Legal charge over all the land held for development and property development costs of certain subsidiary companies as disclosed in Note 14;
- ii) Debenture by way of fixed and floating charges over all present and future assets of certain subsidiary companies; and
- iii) Corporate guarantee by the Company.

The weighted average effective interest rates for borrowings at the reporting date were as follows:

	2013	2012
	%	%
Bank overdrafts	7.10	8.85
Revolving credit	7.13	7.46
Term loans	7.27	7.57

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

22. Other current liabilities

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Progress billings in respect of property development cost	10,730,704	24,220,406	-	-

23. Share Capital

	Number of ordinary shares of RM1 each		Amount	
	2013	2012	2013	2012
			RM	RM
Authorised :				
At 1 October/30 September	300,000,000	300,000,000	300,000,000	300,000,000
Issued and fully paid :				
At 1 October/30 September	253,317,000	253,317,000	253,317,000	253,317,000

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

24. Reserves

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Non-distributable				
Share premium	22,343	22,343	22,343	22,343
Distributable				
Retained earnings/ (Accumulated losses)	65,382,651	43,014,716	(29,665,853)	(33,289,067)

The movements in the reserves are shown in the statements of changes in equity.

Share premium of the Group and of the Company represents the premium arising from the issue of shares.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

25. Non-controlling interests

Non-controlling interests of RM2,500,000 (2012: RM2,500,000) represent preference shares of a subsidiary not held by the Group.

The holders of preference shares are not entitled to a dividend. The repayment of capital on preference shares rank in priority to all classes of ordinary shares of the subsidiary but the premium will only be paid after the repayment of capital on all classes of ordinary shares of the subsidiary. Other than the above, holders of preference shares are not entitled to further participate in the surplus assets and profits of the subsidiary.

26. Deferred taxation

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
At 1 October 2012/2011	60,038,286	60,003,988	-	-
Recognised in profit or loss (Note 10)	(3,153,272)	34,298	-	-
At 30 September	56,885,014	60,038,286	-	-
Presented after appropriate offsetting as follows :				
Deferred tax asset	(1,860,000)	-	-	-
Deferred tax liabilities	58,745,014	60,038,286	-	-
	56,885,014	60,038,286	-	-

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

Deferred tax asset of the Group:

	Provision for foreseeable losses	
	2013	2012
	RM	RM
At 1 October 2012/2011	-	-
Recognised in profit or loss (Note 10)	(1,860,000)	-
At 30 September	(1,860,000)	-

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

26. Deferred taxation (cont'd)

Deferred tax liabilities of the Group :

	Revaluation of Land RM	Accelerated Capital allowances RM	Total RM
At 1 October 2012	60,038,286	-	60,038,286
Recognised in profit or loss (Note 10)	(1,364,272)	71,000	(1,293,272)
At 30 September 2013	<u>58,674,014</u>	<u>71,000</u>	<u>58,745,014</u>
At 1 October 2011	60,003,988	-	60,003,988
Recognised in profit or loss (Note 10)	34,298	-	34,298
At 30 September 2012	<u>60,038,286</u>	<u>-</u>	<u>60,038,286</u>

Deferred tax assets were not recognised in prior year in respect of the followings items as the Group had a history of recent losses:

	Group	
	2013 RM	2012 RM
Unutilised tax losses	-	7,131,000
Provision for foreseeable losses for affordable housing	-	5,660,000

27. Commitments

(a) Capital commitment

	Group	
	2013 RM	2012 RM
Approved but not contracted for :		
Acquisition of property, plant and equipment	-	1,835,500

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

27. Commitments (cont'd)

(b) Operating lease commitments - as lessee

The Group has entered into non-cancellable operating lease arrangement with third party to lease Level 2 of Block A Peremba Square. The lease has a tenure of 2 years.

Future minimum rental payables under non-cancellable operating lease at the reporting date are as follows :

	2013 RM	2012 RM
Not later than 1 year	115,140	145,440
Later than 1 year but not later than 3 years	-	115,140
	115,140	260,580

28. Related party disclosures

Compensation of key management personnel

The remuneration of directors and other members of key management during the financial year is as follows:

	Group	
	2013 RM	2012 RM
Short term employee benefits	3,233,168	2,568,907
Post-employment benefits:	374,112	288,583
Defined contribution plan	3,607,280	2,857,490
Included in the total remuneration of key management personnel are:		
Directors' remuneration (Note 8)	2,498,560	1,884,674

29. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

29. Financial instruments (cont'd)

(a) Credit risk

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

The Group does not have any significant exposure to any individual customer.

Exposure to credit risk

At the reporting date, the Group's and Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

At the reporting date, the Company provided corporate guarantees for subsidiaries in respect of credit facilities totalling RM52,147,654 (2012: RM64,040,562) granted to the subsidiaries by licensed financial institutions. The credit facilities is secured with a legal charge over all the land held for development and property development cost of certain subsidiaries.

The value of corporate guarantees provided by the Company to its subsidiaries are determined by reference to the interest rates differential had these guarantees not been available. The Directors have assessed that the fair values of these corporate guarantees are not material.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 17.

Financial assets that are past due but not impaired

Information regarding financial assets that are past due but not impaired is disclosed in Note 17.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements and maintain available banking facilities at a reasonable level to its overall debt position.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

29. Financial instruments (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM	One to five years RM	Total RM
2013			
Group			
Financial liabilities:			
Trade and other payables	29,214,204	-	29,214,204
Loans and borrowings	47,971,094	4,687,500	52,658,594
Total undiscounted financial liabilities	<u>77,185,298</u>	<u>4,687,500</u>	<u>81,872,798</u>
Company			
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	<u>2,215,287</u>	-	<u>2,215,287</u>
2012			
Group			
Financial liabilities:			
Trade and other payables	29,562,625	-	29,562,625
Loans and borrowings	30,675,845	33,962,139	64,637,984
Total undiscounted financial liabilities	<u>60,238,470</u>	<u>33,962,139</u>	<u>94,200,609</u>

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

29. Financial instruments (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	On demand or within one year RM	One to five years RM	Total RM
2012 Company			
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	4,180,491	-	4,180,491

(c) Interest rate risk

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

The Group's exposure to interest rate risk arises primarily from floating rate borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been approximately RM39,000 (2012: RM48,000) lower/higher, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

30. Fair value of financial instruments

The carrying amounts of the Group's and Company's financial assets and liabilities are reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

31. Segment information

No segmental reporting is presented as the Group's operations primarily relate to property development activities and these are carried out entirely in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

32. Capital management

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 September 2013 and 30 September 2012.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises loans and borrowings, trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Company.

	Note	2013 RM	2012 RM
Group			
Loans and borrowings	21	52,147,654	64,040,562
Trade payables	20	25,763,187	27,356,684
Other payables	20	18,781,442	16,518,991
Less: Cash and bank balances	19	(25,243,908)	(6,904,450)
Net debt		71,448,375	101,011,787
Equity attributable to the owners of the Company, representing total capital		321,221,994	298,854,059
Capital and net debt		392,670,369	399,865,846
Gearing ratio		18%	25%

The Company is mainly financed by shareholders' funds.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

33. Significant events

On 17 September 2013, the Company announced that it had received a take-over offer by Eco World Development Holding Sdn. Bhd. ("Eco World") and Liew Tian Xiong (collectively, the Buyer) to acquire 164,775,701 ordinary shares held by various shareholders of the Company, which represent 65.05% of FAHB issued and paid up share capital for a cash consideration of RM1.40 per share. The shareholders of the Company and the Buyer had on the same date entered into a conditional share sale agreement ("SSA") in respect of this offer. The SSA became unconditional on 1 October 2013 and was subsequently completed on 4 October 2013.

On 22 October 2013, the Company announced that the Buyer had intended to undertake a mandatory general offer ("MGO") to acquire all the remaining FAHB shares not owned by Eco World for the same cash consideration of RM1.40 per share.

The MGO was completed on 12 November 2013. The Buyer holds 164,790,701 shares which represent 65.05% of the total issued and paid up share capital of FAHB.

34. Authorisation of financial statements for issue

The financial statements for the year ended 30 September 2013 were authorised for issue in accordance with a resolution of the directors on 28 November 2013.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

For the financial year ended 30 September 2013

35. Supplementary Information - Breakdown of Retained profits into Realised and Unrealised

The breakdown of the retained profits of the Group and of the Company as at 30 September 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2012 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Total retained earnings/ (accumulated losses) of the Company and its subsidiaries				
- Realised	56,097,007	25,380,404	(29,665,853)	(33,289,067)
- Unrealised	-	-	-	-
	56,097,007	25,380,404	(29,665,853)	(33,289,067)
Add: Consolidation adjustments	9,285,644	17,634,312	-	-
Retained earnings/ (accumulated losses) as per financial statements	65,382,651	43,014,716	(29,665,853)	(33,289,067)





THE OPPORTUNITIES

Embracing the fundamentals of calibre



Industrial hubs designed

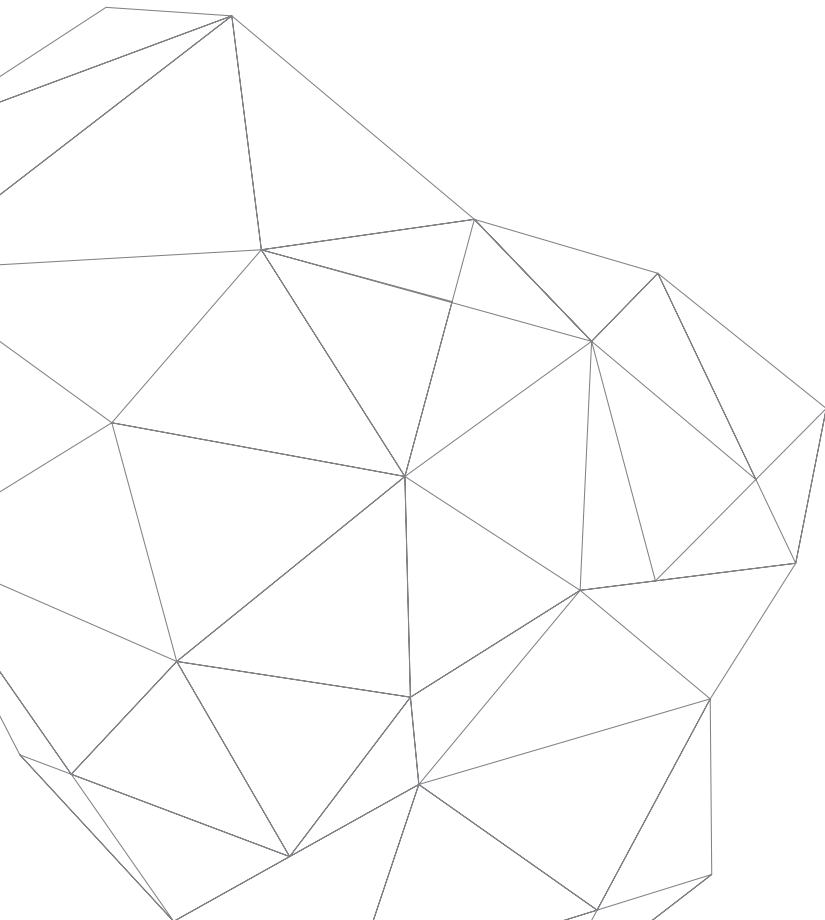
to maximise efficiency & minimize resource wastage



PARTICULARS OF PROPERTIES

Location	Land Area/ Build Area	Tenure	Existing Use	Net Book Value as at 30 September 2013 (RM)
PTD 144145 to 144150, 144156, 144157, 131870 to 132178 and 166311, Mukim Plentong, Daerah Johor Bahru	991.63 acres	Freehold	Vacant land Proposed golf resort, residential, commercial and industrial development	301,534,966
Total				301,534,966

The freehold land held under PTD 144145 to 144150, 144156, 144157, 131870 to 132178 and 166311 at Mukim Plentong, Daerah Johor Bahru was acquired in the year 1994.



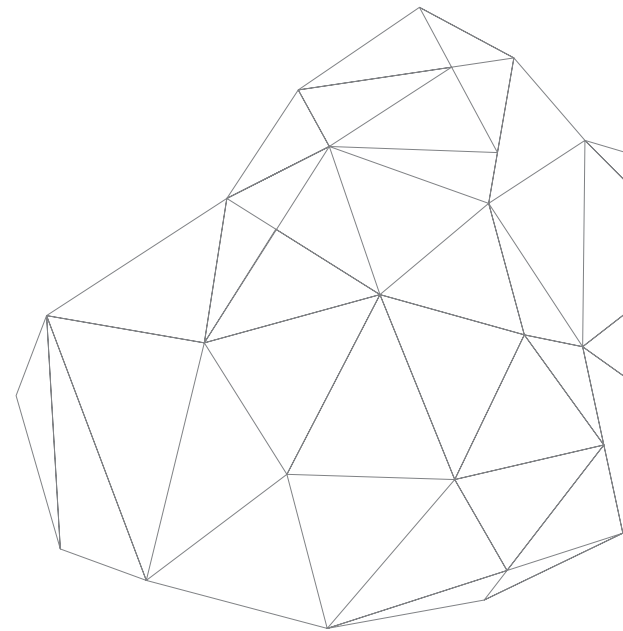
STATISTICS ON SHAREHOLDINGS

Share capital as at 31 December 2013

Authorised	:	RM300,000,000.00
Issued and fully paid up	:	RM253,317,000.00
Class of share	:	Ordinary shares of RM1.00 each
Voting rights	:	One vote per share

Distribution of shareholders as at 31 December 2013

Size of shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	18	0.51	841	0.00
100 - 1,000	1,044	29.76	1,010,471	0.40
1,001 - 10,000	1,935	55.16	8,058,449	3.18
10,001 - 100,000	413	11.77	12,888,603	5.09
100,001 to less than 5% of issued shares	96	2.74	66,567,935	26.28
5% and above of issued shares	2	0.06	164,790,701	65.05
Total	3,508	100.00	253,317,000	100.00



STATISTICS ON SHAREHOLDINGS (cont'd)

Thirty (30) largest securities account holders as at 31 December 2013

Name of shareholders	No. of Shares	%
1 CIMSEC Nominees (Tempatan) Sdn. Bhd. - Liew Tian Xiong	88,780,601	35.05
2 CIMSEC Nominees (Tempatan) Sdn. Bhd. - Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.)	76,010,100	30.01
3 Abu Bakar Bin Mohd Nor	10,564,000	4.17
4 Lim Li Li	7,000,000	2.76
5 Hassan Bin Che Abas	6,593,735	2.60
6 HSBC Nominees (Asing) Sdn. Bhd. - Coutts & Co Ltd SG For Grandly Star Capital Limited	6,500,000	2.57
7 Food Survey Sdn. Bhd.	5,400,000	2.13
8 Tee Tiam Lee	3,258,000	1.29
9 Ngan Bee Lee	2,750,000	1.09
10 DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad For Hong Leong Growth Fund	1,335,000	0.53
11 HSBC Nominees (Tempatan) Sdn. Bhd. - HSBC (M) Trustee Bhd For Hwang Select Opportunity Fund	1,287,600	0.51
12 Tham Kam Woon	900,000	0.36
13 DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad For Hong Leong Penny Stockfund	804,000	0.32
14 Cartaban Nominees (Tempatan) Sdn. Bhd. - RHB Trustees Berhad For MAAKL- HW Shariah Progress Fund	757,000	0.30
15 Tan Bee Kheng	670,000	0.26

STATISTICS ON SHAREHOLDINGS (cont'd)

Thirty (30) largest securities account holders as at 31 December 2013

	No. of Shares	%
16 Cartaban Nominees (Tempatan) Sdn. Bhd. - Exempt An For Eastspring Investments Berhad	623,400	0.25
17 Chen Wee Sang	570,600	0.23
18 Tay Koo Hui	564,800	0.22
19 Lee Siew Lan	520,000	0.21
20 Pang Yi Shia	500,000	0.20
21 Kang Choon Leu @ Kang Chee Sim	470,000	0.19
22 DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad For Hong Leong Strategic Fund	468,000	0.18
23 Huan Chuan Sen @ Ah Loy	450,000	0.18
24 Tan Swee Hock	450,000	0.18
25 Tan Ah Loy @ Tan May Ling	430,000	0.17
26 AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Tay Hong Peng	404,600	0.16
27 Khow Eng Guan	379,000	0.15
28 Malacca Equity Nominees (Tempatan) Sdn. Bhd. - Exempt An For Phillip Capital Management Sdn. Bhd. (EPF)	370,000	0.15
29 CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB For Tan Kok Pin @ Kok Khong (PB)	360,000	0.14
30 Alliancegroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Ng Chee Hua	346,000	0.14
	219,516,436	86.70

STATISTICS ON SHAREHOLDINGS (cont'd)

Substantial shareholders as at 31 December 2013

Name	No. Of Ordinary Shares Held			
	Direct	%	Indirect	%
Liew Tian Xiong	88,780,601	35.05	-	-
Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.)	76,010,100	30.01	-	-
Tan Sri Abdul Rashid Bin Abdul Manaf	-	-	76,010,100*	30.01
Dato' Leong Kok Wah	-	-	76,010,100*	30.01

* Deemed interested by virtue of their interest in Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.) pursuant to Section 6A of the Companies Act, 1965.

STATISTICS ON SHAREHOLDINGS (cont'd)

Directors' shareholdings as at 31 December 2013

Name	No. Of Ordinary Shares Held			
	Direct	%	Indirect	%
Tan Sri Abdul Rashid Bin Abdul Manaf	-	-	76,010,100*	30.01
Dato' Leong Kok Wah	-	-	76,010,100*	30.01
Dato' Chang Khim Wah	-	-	-	-
Mr. Heah Kok Boon	-	-	-	-
Mr. Liew Tian Xiong	88,780,601	35.05	-	-
Mr. Tang Kin Kheong	-	-	-	-
Tan Sri Lee Lam Thye	-	-	-	-
Dato' Idrose Bin Mohamed	-	-	-	-

* Deemed interested by virtue of their interest in Eco World Development Holdings Sdn. Bhd. (formerly known as Maple Quay Sdn. Bhd.) pursuant to Section 6A of the Companies Act, 1965.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fortieth Annual General Meeting of Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad) will be held at **Grand Ballroom 1, Renaissance Johor Bahru Hotel, No. 2, Jalan Permas 11, Bandar Baru Permas Jaya, Johor Bahru 81750, Johor Darul Ta'zim** on Thursday, 27 February 2014 at 11:30 a.m. for the following purpose :-

AGENDA

1. To receive the Directors' Report and Audited Financial Statements for the financial year ended 30 September 2013 together with the Auditors' Report thereon. Please refer to Explanatory Note (1)
2. To approve the declaration and payment of a first and final tax exempt single tier dividend of 1% for the financial year ended 30 September 2013. (Resolution 1)
3. To approve the Directors' Fees for the financial year ended 30 September 2013. (Resolution 2)
4. To re-elect the following Directors who are retiring in accordance with Article 87 of the Articles of Association of the Company:-
 - (a) Tan Sri Abdul Rashid bin Abdul Manaf (Resolution 3)
 - (b) Dato' Leong Kok Wah (Resolution 4)
 - (c) Dato' Chang Khim Wah (Resolution 5)
 - (d) Mr. Heah Kok Boon (Resolution 6)
 - (e) Mr. Liew Tian Xiong (Resolution 7)
 - (f) Mr. Tang Kin Kheong (Resolution 8)
 - (g) Tan Sri Lee Lam Thye (Resolution 9)
 - (h) Dato' Idrose bin Mohamed (Resolution 10)
5. To re-appoint Messrs. Ernst & Young as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. (Resolution 11)

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

As Special Business

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

6. **Authority to issue and allot shares**

That subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised pursuant to Section 132D of the Companies Act, 1965 to issue and allot shares in the Company at any time until the conclusion of the next Annual General Meeting to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10 per centum of the issued share capital of the Company for the time being. (Resolution 12)

7. To transact any other business of which due notice has been given.

Notice of Dividend Entitlement and Payment

Notice is also hereby given that a first and final tax exempt single tier dividend of 1% for the financial year ended 30 September 2013, if so approved by the shareholders at the Fortieth Annual General Meeting, will be payable on 23 April 2014 to shareholders whose names appear in the Record of Depositors on 26 March 2014.

Further notice is given that a depositor shall qualify for entitlement only in respect of:

- (1) Shares transferred into the depositor's securities account before 4:00 p.m. on 26 March 2014; and
- (2) Shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of the Bursa Securities.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

By Order of the Board

Chua Siew Chuan (MAICSA 0777689)

Mak Chooi Peng (MAICSA 7017931)

Company Secretaries

Kuala Lumpur

Dated: 29 January 2014

Explanatory Notes to Special Businesses:

1. Item 1 of the Agenda

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

2. Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The above Ordinary Resolution, if passed, will empower the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the issued share capital of the Company for the time being (hereinafter referred to as the "General Mandate").

The General Mandate will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s).

The General Mandate is a renewal. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Thirty-Ninth Annual General Meeting held on 27 February 2013 and which will lapse at the conclusion of the Fortieth Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 February 2014 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the Meeting.*
2. *A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote in his stead. A proxy may but does not need to be a member of the Company and the provisions of Section 149 (1)(b) of the Companies Act, 1965 need not be complied with. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualifications of the proxy.*
3. *In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.*
4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *The instrument appointing a proxy must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time for holding the Meeting or any adjournment thereof.*

FORM OF PROXY

CDS Account No.	No. of Shares Held

I/We, _____ NRIC/Co. No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

being a Member/Members of ECO WORLD DEVELOPMENT GROUP BERHAD (formerly known as Focal Aims Holdings Berhad), hereby appoint _____

_____ NRIC No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

_____ or failing him/her _____ NRIC No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Fortieth Annual General Meeting of the Company to be held at Grand Ballroom 1, Renaissance Johor Bahru Hotel, No. 2, Jalan Permas 11, Bandar Baru Permas Jaya, Johor Bahru 81750 Johor Darul Ta'zim on Thursday, 27 February 2014 at 11:30 a.m. and at any adjournment thereof for/against the resolution(s) to be proposed thereat.

No.	Resolutions	For	Against
1.	Approval of a first and final tax exempt single tier dividend		
2.	Approval of Directors' Fees		
3.	Re-election of Tan Sri Abdul Rashid bin Abdul Manaf		
4.	Re-election of Dato' Leong Kok Wah		
5.	Re-election of Dato' Chang Khim Wah		
6.	Re-election of Mr Heah Kok Boon		
7.	Re-election of Mr Liew Tian Xiong		
8.	Re-election of Mr Tang Kin Kheong		
9.	Re-election of Tan Sri Lee Lam Thye		
10.	Re-election of Dato' Idrose bin Mohamed		
11.	Re-appointment of Ernst & Young as Auditors		
12.	Authority to issue and allot shares		

Please indicate your vote by marking (X) in the space provided above on how you wish your vote to be cast. Unless voting instructions are indicated in the space above, the proxy will vote or abstain from voting as he/she thinks fit.

As witness my/our hand(s) this _____ day of _____, 2014

 Signature of Member/Common Seal

Notes:

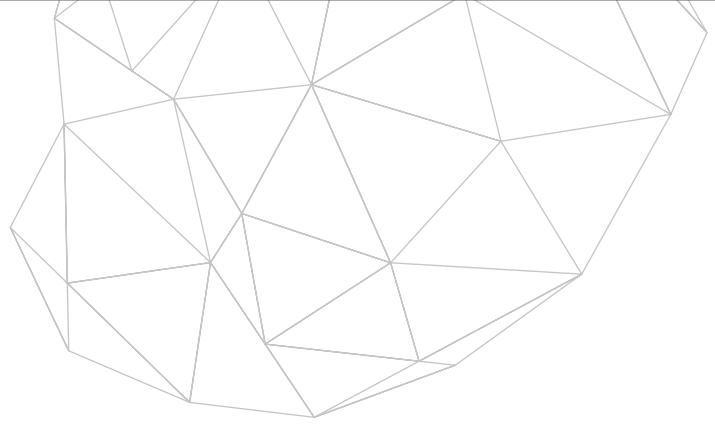
- In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 February 2014 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at the Meeting.
- A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote in his stead. A proxy may but does not need to be a member of the Company and the provisions of Section 149 (1)(b) of the Companies Act, 1965 need not be complied with. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualifications of the proxy.
- In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

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Affix Stamp
Here

The Company Secretary
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

1st fold here



ECO WORLD DEVELOPMENT GROUP BERHAD (17777-V)
(Formerly Known as Focal Aims Holdings Berhad)

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