BREM HOLDING BERHAD (66756-P)
3rd Floor, BREM House, Crystal Crown Hotel
No. 12, Lorong Utara A, Off Jalan Utara
46200 Petaling Jaya, Selangor Darul Ehsan
www.bremholding.com

BREM HOLDING BERHAD (66756-P)

Annual Report 2012

BREM HOLDING BERHAD (66756-P)
Incorporated In Malaysia

ANNUAL REPORT 2012

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Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting of Brem Holding Berhad ("Brem" or "the Company") will be held at Crown Hall, 1st Floor, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 September 2012, at 10.30 a.m. for the transaction of the following businesses:¬-

1. To receive the Audited Financial Statements for the year ended 31 March 2012 together with the Reports of the Directors and the Auditors thereon. (Resolution 1)

2. To declare a first and final dividend of 6% less income tax of 25% in respect of the year ended 31 March 2012. (Resolution 2)

3. To approve the payment of Directors' fees of RM70,000/- (2011: RM70,000/-) in respect of the year ended 31 March 2012. (Resolution 3)

4. To re-elect the following Directors who retire pursuant to the Company's Articles of Association and being eligible, offer themselves for re-election:-
   (a) Mr. Khoo Chai Thiam (Article 80) (Resolution 4)
   (b) Mr. Low Yew Hwa (Article 80) (Resolution 5)

5. To consider and, if thought fit, pass the following resolution pursuant to Section 129 of the Companies Act, 1965:-

   "That Dato' Hj. Abu Sujak bin Hj. Mahmud, retiring pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the conclusion of the next Annual General Meeting." (Resolution 6)

6. To re-appoint Messrs. Styl Associates as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 7)

7. As Special Businesses:-
   To consider and, if thought fit, to pass the following Special/Ordinary resolutions:-

   (a) Special Resolution (Resolution 8)
   Proposed Amendments To The Company's Articles Of Association ("Proposed Amendments")

   "THAT the proposed amendments to the Company's Articles of Association as set out in Appendix I on page 8 of the Annual Report be and are hereby approved and adopted;

   AND THAT the Directors and/or Secretary be and are hereby authorised to take all such steps as are necessary and expedient in order to implement, finalise and give full effect to the Proposed Amendments."

   (b) Ordinary Resolution 1 (Resolution 9)
   Authority To Allot Shares Pursuant To Section 132D Of The Companies Act, 1965

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company from time to time 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 ten percent (10%) of the issued share capital of the Company for the time being, subject always to the approvals of all the relevant regulatory bodies obtained for such allotment and issue and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

(c) Ordinary Resolution 2 (Resolution 10)
Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT approval be and is hereby given to the Company and/or its subsidiary companies to renew the mandate from the shareholders of the Company for the Company and/or its subsidiary companies to enter into and give effect to Recurrent Related Party Transactions of a revenue or trading nature with specified class of the Related Parties as stated in Part A - Section 2.4(a) of the Circular to Shareholders dated 5 September 2012 ("Circular") subject to the following:-

(i) the transactions are necessary for the Group's day-to-day operations and they are carried out in the ordinary course of business made on an arm's length basis and on normal commercial terms; and

(ii) are on terms that are not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company;

AND THAT the authority conferred by this resolution shall continue to be in force until:-

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

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

(c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier, and disclosure will be made in the annual report of the aggregate value on the transactions conducted during the financial year pursuant to the shareholders' mandate;

AND FURTHER THAT the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to this resolution."

(d) Ordinary Resolution 3 (Resolution 11)
Proposed Renewal of Authority for Share Buy-Back

"THAT subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares of RM1.00 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company PROVIDED THAT:-

(a) the aggregate number of ordinary shares of RM1.00 each in the Company which may be purchased and/or held by the Company shall not exceed ten per cent (10%) of the issued and paid-up share capital of the Company as quoted on Bursa Securities as at the point of purchase, subject to a restriction that the issued and paid-up share capital of the Company does not fall below the applicable minimum share capital requirements of the Listing Requirements of Bursa Securities;

(b) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the Company's latest audited retained profits and/or share premium account;

(c) the authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:-

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by an ordinary resolution passed at the AGM, the authority is renewed, either unconditionally or subject to conditions; or

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

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND THAT the Directors of the Company be and are hereby authorised to cancel all the shares or any part thereof so purchased or to retain all the shares so purchased as treasury shares (of which may be distributed as dividends to shareholders and/or resold on Bursa Securities and/or subsequently cancelled), or to retain part of the shares so purchased as treasury shares and cancel the remainder, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise or to effect the aforesaid share buy-back with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and expedient in the best interest of the Company."

(e) Ordinary Resolution 4
Continuing In Office As Independent Non-Executive Director (Resolution 12)

"THAT authority be and is hereby given to Mr. Wong Miow Song who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

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

Notice of Dividend Entitlement

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders at the Thirty-First Annual General Meeting, the first and final dividend of 6% less income tax of 25% in respect of the year ended 31 March 2012 will be payable to depositors registered in the Record of Depositors on 19 November 2012.

A depositor shall qualify for entitlement to the first and final dividend only in respect of:-

(a) Shares transferred to the depositor's securities account before 4.00 p.m. on 19 November 2012 in respect of transfers; and

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

By Order of the Board,

CHOW CHOOI YOONG
MAICSA 0772574
Secretary

Kuala Lumpur
5 September 2012

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

3. In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the company's Common Seal or under the hand of the officer or attorney duly authorised.

4. The Form of Proxy must be deposited at the Company's Registered Office at 3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor not less than 48 hours before the time set for the meeting or any adjournment thereof.

5. **General Meeting Record of Depositors**

   For purposes of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company pursuant to Article 57(C) of the Articles of Association of the Company, a Record of Depositors as at 21 September 2012 and a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxy to attend and/or vote in his stead.

6. **Explanatory Notes in Special Business:-**

(a) Resolution pursuant to Proposed Amendments to the Company's Articles of Association
Resolution No. 8 proposed as a Special Resolution under item 7(a), if passed, will streamline the Company's Articles of Association to be aligned with the recent amendments made to Chapter 7 of the Main Market Listing Requirements of Bursa Securities.

(b) Resolution pursuant to Section 132D of the Companies Act, 1965
Resolution No. 9 proposed under item 7(b) is to seek a renewal of the general mandate for the issue of new ordinary shares pursuant to Section 132D of the Companies Act, 1965.

As at the date of this notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the last AGM held on 30 September 2011.

The proposed Resolution No. 9, if passed, will empower the Directors of the Company to issue and allot new shares in the Company at any time and for such purposes as the Directors considered would be in the interests of the Company up to an aggregate not exceeding 10% of the issued share capital of the Company without convening a general meeting. This authority unless revoked or varied at a general meeting will expire at the next AGM.

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

(c) Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and Trading Nature
Resolution No. 10 proposed under item 7(c), if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from the shareholders of the Company at a General Meeting. For further information, please refer to Part A of the Circular to Shareholders dated 5 September 2012, which is circulated together with this Annual Report.

(d) Resolution No. 11 pursuant to Proposed Share Buy-Back
Resolution No. 11 proposed under item 7(d), if passed, will empower the Company to purchase and/or hold up to 10% of the issued and paid-up share capital of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next AGM. For further information, please refer to Part B of the Circular to Shareholders dated 5 September 2012, which is circulated together with this Annual Report.

(e) Resolution No. 12
In line with Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed the independence of Mr. Wong Miow Song, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and upon its recommendation, the Board of Directors has recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

(i) Mr. Wong Miow Song has fulfilled the criteria under the definition of Independent Director as stated in the Listing Requirements of Bursa Securities, and hence, he would be able to provide an element of objectivity, independent judgment and balance to the Board.

(ii) His vast experience in the building construction and housing development industry would enable him to provide the Board with relevant expertise, knowledge and independent judgment to properly evaluate corporate performance and contribute to the effective decision making of the Board. Being the Chairman of the Audit Committee, he has demonstrated that he has the qualities and competencies to enable him to ensure the effectiveness of the Audit Committee in providing independent, objective and effective oversight to the Board.

(iii) Mr. Wong Miow Song, having been with the Company for more than nine years, is familiar with the Group's business operations and has devoted sufficient time and attention to his professional obligations for informed and balance decision making.

(iv) He has exercised due care during his tenure as Independent Non-Executive Directors of the Company and has carried out his professional duties in the interest of the Company and shareholders.

Resolution No. 12 proposed under item 7(e), if passed, will authorise Mr. Wong Miow Song to continue in office as an Independent Non-Executive Director of the Company.

Proposed Amendments to the Articles of Association of the Company

The Proposed Amendments are to comply with the amendments made to Chapter 7 of the Listing Requirements (“LR”) in relation to the following:-
(a) Appointment of multiple proxies by an exempt authorised nominee; and
(b) Qualification of proxy.

The details of the Proposed Amendments are set out below:-
The existing Articles of the Company are amended by the alterations, modifications, deletions and/or additions, wherever necessary whereby the affected existing Articles are reproduced hereunder alongside with the amended Articles of the Company:-

EXISTING ARTICLES	PROPOSED AMENDMENTS TO THE ARTICLES	RATIONALE
Article 2 Interpretation **Words & Expressions** — **Meanings** No provision	**Article 2 Interpretation** **Words & Expressions** — **Meanings** **Exempt authorised nominee** — **An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.**	Pursuant to Paragraph 7.21(2) of the LR
Article 74 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. Where a member of the Company is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.	**Article 74 (a)** The instrument appointing a proxy shall be in writing signed by the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or signed by an officer or attorney so authorised. **A member of a Company entitled to attend and vote at a meeting of a Company, or at a meeting of any class of members of the Company, shall be 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 qualification of the proxy.** A member may appoint up to two persons to be his proxy. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of a Company shall have the same rights as the member to speak at the meeting.	Pursuant to Paragraph 7.21(A) of the LR
	Article 74 (b) **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.**	Pursuant to Paragraph 7.21(1) of the LR

Corporate Information

DIRECTORS

Dato' Hj. Abu Sujak Bin Hj. Mahmud	*(Independent Non-Executive Chairman)*
Khoo Chai Kaa	*(Managing Director)*
Khoo Chai Thiam	*(Non-Independent Executive Director)*
Low Yew Hwa	*(Non-Independent Non-Executive Director)*
Wong Miow Song	*(Independent Non-Executive Director)*
Khoo Hui Keam	*(Non-Independent Non-Executive Director)*
Khoo Hui Giok	*(Non-Independent Non-Executive Director)*

COMMITTEES

AUDIT

Wong Miow Song *(Chairman)*
Dato' Hj. Abu Sujak Bin Hj. Mahmud
Khoo Hui Giok

NOMINATION

Wong Miow Song *(Chairman)*
Dato' Hj. Abu Sujak Bin Hj. Mahmud
Khoo Hui Giok

REMUNERATION

Dato' Hj. Abu Sujak Bin Hj. Mahmud *(Chairman)*
Khoo Chai Kaa
Wong Miow Song

COMPANY SECRETARY

Chow Chooi Yoong, MAICSA 0772574

REGISTERED OFFICE

3rd Floor, Brem House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.
Tel : (03) 7958 7888
Fax: (03) 7958 1533
Website : www.bremholding.com

AUDITORS

STYL Associates
Chartered Accountants

PRINCIPAL BANKERS

Malayan Banking Berhad
Alliance Bank Malaysia Berhad

REGISTRARS

Insurban Corporate Services Sdn. Bhd.,
149-B, Jalan Aminuddin Baki,
Taman Tun Dr. Ismail,
60000 Kuala Lumpur.
Tel : (03) 7729 5529
Fax: (03) 7728 5948

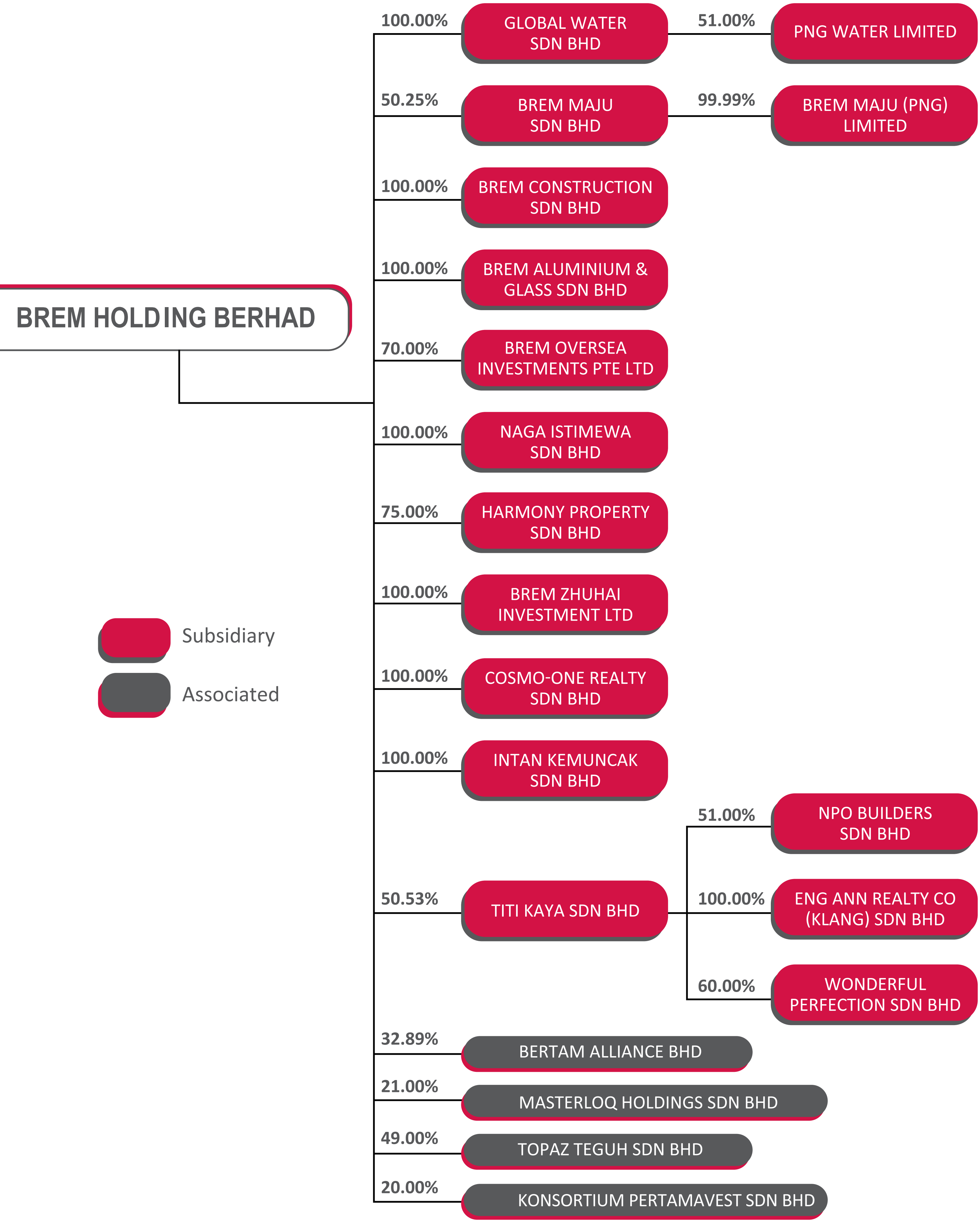
SOLICITORS

Kamarudin & Partners
HK Ang & Partners

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market

Corporate Structure



Particulars Of Each Director Of Brem Holding Berhad

DATO' HJ. ABU SUJAK BIN HJ. MAHMUD, DSSA, KMN, PPT, PJK
(Independent Non-Executive Director)

Dato' Hj. Abu Sujak Bin Hj. Mahmud, aged 72, Malaysian, was appointed to the Board of the Company on 4 January 2006 as Independent Non-Executive Director. He began his career as an audit clerk in Jabatan Pembangunan Koperasi Malaysia in 1958. He then joined the Maktab Perguruan Bahasa in 1960 and then taught for a period of five (5) years before pursuing his degree in the University of Malaya. In 1971, he joined Dewan Bandaraya Kuala Lumpur and subsequently was appointed as Secretary of Majlis Perbandaran Klang and Majlis Perbandaran Shah Alam. In 1986, he was chosen to stand for election, which marked his career as a politician. He served as a member of the Selangor State Legislative Council for three (3) terms and was also a member of the Selangor State Executive Council from 1986 to 1995. He was also appointed as Timbalan Menteri Besar Selangor Darul Ehsan in 1990 until 1995. In the year 2000, he was appointed as the Datuk Bandar Majlis Bandaraya Shah Alam and was in office until 2002. He was elected Chairman of the Board of Directors on the 28 July 2010. He is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of Brem Holding Berhad. He also sits on the Board of Resintech Berhad as an Independent Non-Executive Chairman.

KHOO CHAI KAA
(Managing Director)

Khoo Chai Kaa, aged 61, Malaysian, is the Managing Director of the Company and a founder member of the Brem Holding Group. He has been a Director of the Company since its incorporation on 21 January 1981. Mr. Khoo holds a Bachelor of Science degree in Civil Engineering and Building from the United Kingdom. He has over 34 years of experience in the construction and property development sectors as well as vast experience in hotel industry. He has also attained a wide experience in heavy machinery know-how. He also sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies. He is a member of the Remuneration Committee of Brem Holding Berhad.

KHOO CHAI THIAM
(Non-Independent Executive Director)

Khoo Chai Thiam, aged 50, Malaysian, was appointed to the Board of the Company on 12 October 1982 and has over 30 years of experience in the construction sector. He is also the Project Manager of Brem Maju Sdn. Bhd. being responsible for project coordination and is in charge of the overall work progress and staffing. He also sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies.

LOW YEW HWA
(Non-Independent Non-Executive Director)

Low Yew Hwa, aged 56, Malaysian, has been with the Company since year 1989. He was appointed to the Board of the Company on 24 August 1992. Mr. Low is a qualified Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of the Chartered Association of Certified Accountants, United Kingdom. He sits on the Board of some of the subsidiary companies of Brem Holding Berhad and several other private limited companies. He also sits on the Board of Bertam Alliance Berhad as a Non-Independent Executive Director.

KHOO HUI KEAM
(Non-Independent Non-Executive Director)

Khoo Hui Keam, aged 36, Malaysian, was appointed to the Board of the Company on 26 November 2007 as a Non-Independent Non-Executive Director. She holds a Bachelor of Business degree majoring in banking from Nanyang Technological University Singapore. She has been in the banking industry for years before joining the Group as an Operating Manager of the subsidiary.

KHOO HUI GIOK
(Non-Independent Non-Executive Director)

Khoo Hui Giok, aged 34, Malaysian, was appointed to the Board of the Company on 26 May 2008 as a Non-Independent Non-Executive Director. She holds a Bachelor of Business Accounting, Charles Sturt University. She is a certified practising accountant of CPA Australia and a member of the Malaysian Institute of Accountants. She has over 11 years of experience in financial management. Currently she is a financial controller of a chain of hotels in Malaysia. She is also a member of the Audit Committee and Nomination Committee of Brem Holding Berhad. She also sits on the Board of Bertam Alliance Berhad as a Non- Independent Non- Executive Director.

WONG MIOW SONG
(Independent Non-Executive Director)

Wong Miow Song, aged 61, Malaysian, was appointed to the Board of the Company on 24 May 2001 as an Independent Non-Executive Director. He was also elected as Chairman of the Audit Committee of the Company with effect from 24 May 2001. He holds a Bachelor of Engineering (Honours) degree in Civil Engineering from University of Malaya. He has over 30 years of experience in building construction and housing development. Currently he is a director of a private construction company involved in the construction of houses, shop houses and apartments in Klang Valley area. He is a member of The Institution of Engineers, Malaysia and a professional engineer registered with the Board of Engineers, Malaysia. He is the Chairman of the Audit Committee and Nomination Committee and also a member of the Remuneration Committee of Brem Holding Berhad.

Additional Information

Other directorship of public companies

Save for the following directors, none of the directors of the Company has any directorship in other public companies.
(i) Mr. Low Yew Hwa sits on the Board of Bertam Alliance Berhad,
(ii) Dato' Hj. Abu Sujak Bin Hj. Mahmud sits on the Board of Resintech Berhad,
(iii) Ms. Khoo Hui Giok sits on the Board of Bertam Alliance Berhad.

Family relationship of directors and/or Major Shareholders

There is no family relationship among the directors and/or major shareholders except that:-

(a) Mr. Khoo Chai Kaa and Ms. Khoo Hui Keam and Ms. Khoo Hui Giok are father and daughters;
(b) Ms. Khoo Hui Keam and Ms. Khoo Hui Giok are sisters; and,
(c) Mr. Khoo Chai Kaa and Mr. Khoo Chai Thiam are brothers.

Conflict of interest with the company

Other than the recurrent transactions of revenue or trading nature which are necessary for the company day-to-day operations, none of the directors has conflict of interest with the company.

List of convictions for offences

None of the directors has been convicted of any offences within the past 10 years other than traffic offences.

Material Contract involving Directors and Major Shareholders

There is no material contract (not being contract entered into in the ordinary course of business) of the Company and its subsidiaries, involving directors' and major shareholders' interests, still subsisting at the end of the financial year.

Revaluation Policy

The Group does not adopt a policy on regular revaluation of its landed properties.

Non-Audit Fees

No non-audit fees were paid to external auditors for the financial year.

Recurrent Related Party Transactionof a Revenue or Trading Nature

On 30 September 2011, the Company obtained approval from the shareholders for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature ("recurrent transactions") with persons who are considered to be "Related Party" as defined in Chapter 10 of the Listing Requirements.

The breakdown of the aggregate value paid/payable of the recurrent transactions made during the financial year are set out below:

Nature /Type of Transactions	Supplier	Customer	Interested Director/Major Shareholder or Person Connected	RM
Construction Contracts	Perniagaan Sinn Huat	Brem Holding Berhad	Lee Lei Choo Lee Kok Ting	913,881
Construction Contracts	Idio Construction Works	Brem Holding Berhad	Khoo Chai Kaa Khoo Chai Thiam Koo Chai Bok	1,388,841

Relationship of Related Parties with Brem Holding Berhad ("Brem") as at the financial year ended 31 March 2012:

Names of Related Party	Relationship
Idio Construction Works	No relationship except for the managing partner of this company is related to two directors and a major shareholder of Brem
Perniagaan Sinn Huat	No relationship except for the sole - proprietor of this company is related to a major shareholder of Brem
Bertam Alliance Berhad	32.89% associated company of Brem whereby a director and two of its shareholders are related to a director and major shareholders of Brem. One of the shareholders is also a major shareholder of Brem.

Share Buy-backs

There were no cancellations or re-sale of treasury shares during the financial year ended 31 March 2012.

From 1 April 2011 to 8 August 2012, the Company had purchased a total of 1,753,500 of its own shares and the details of purchases made showing the monthly breakdown are as follows:

Month of Purchase	No. of BREM Shares Purchased	Purchase Price Per Share (RM)		Average Price Per BREM Share (RM)	Total Consideration Paid (RM)
		Lowest	Highest		
April 2011	104,500	1.35	1.52	1.43	148,917.04
May 2011	-	-	-	-	-
June 2011	-	-	-	-	-
July 2011	-	-	-	-	-
August 2011	408,100	1.40	1.50	1.45	589,999.96
September 2011	129,800	1.46	1.50	1.49	193,312.08
October 2011	200	1.50	1.50	1.50	329.09
November 2011	142,300	1.23	1.34	1.29	183,801.99
December 2011	-	-	-	-	-
January 2012	45,300	1.20	1.21	1.21	54,687.91
February 2012	-	-	-	-	-
March 2012	84,500	1.19	1.22	1.21	101,999.72
April 2012	209,700	1.17	1.22	1.20	251,869.40
May 2012	266,200	1.16	1.20	1.18	314,365.62
June 2012	229,000	1.18	1.21	1.20	273,805.35
July 2012	73,900	1.19	1.21	1.20	88,787.95
Up to 8 August 2012	60,000	1.19	1.19	1.19	71,814.72

Statement On Internal Control

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements, the Board of Directors of Brem Holding Berhad is pleased to provide the following statement on the state of internal control of the Company and its subsidiaries (“the Group”). This Statement is made in accordance with the “Statement on Internal Control - Guidance for Directors of Public Listed Companies” issued by the Institute of Internal Auditors Malaysia and endorsed by the Bursa Securities.

RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound system of internal control in order to safeguard shareholders’ investment and assets of the Group.

The Board has reviewed the adequacy and effectiveness of the system of internal control of the Group. It recognizes that due to inherent limitations, the internal control system is designed to manage rather than to eliminate the risk of business failure. As such these systems could only provide reasonable but not absolute assurance against material misstatements or losses.

RISK MANAGEMENT

The Board understands the principal risks of the business that the Group is engaged in and accepts that business decisions require the incurrence of risk and the ultimate objective is to balance risk and potential reward to the shareholders. Primarily, the risk management functions are the responsibility of all executive directors and the management team members. The Executive Directors and senior management regularly organise informal meetings and discussions to identify and manage the business risk of the Group and ensure that businesses are under control and corporate targets and objectives are achieved. When reviewing the systems of internal control in the Group, the Board considers the presence and effectiveness of management’s action to mitigate risks.

INTERNAL CONTROL SYSTEM

The key elements of systems of internal control and its review mechanisms are as follows:

i. Board Committees consist of Audit Committee, Remuneration Committee and Nomination Committee. In addition, a management committee overseeing the risk issues is established. The authorities and responsibilities and reporting to the Board for strategic decisions are defined in the terms of reference of these committees.

ii. Clearly defined job description, authority and responsibility for each functional division together with process and procedure for core business activities.

iii. Audit Committee’s review of audit reports and report to the Board on major issues. Follow-up audit is carried out in order to monitor the audit findings status and ensure that management actions have been effectively implemented.

iv. Management information systems generating timely financial data and information for reporting, review and monitoring purposes.

v. Announcement of financial information to Bursa is subject to Audit Committee’s review with the presence of the management.

vi. Project planning, monitoring and reporting systems ensuring timely completion of projects and achievement of business targets. Post mortem review is carried out on completed project to identify areas of improvement.

The Board feels that the existing level of systems of internal control is effective to enable the Group to achieve its business objectives. Nonetheless, the Board recognises that the systems of internal control should be continuously improved in line with the evolving business development.

This Statement was made in accordance with a resolution of the Board dated 26 July 2012.

Review of Statement on Internal Control by External Auditors

The External Auditors have reviewed this Statement on Internal Control for inclusion in this annual report for the year ended 31st March 2012 and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the systems of internal control of the Group.

CHAIRMAN'S STATEMENT 2012

On behalf of the Board of Directors of Brem Holding Berhad, it is my pleasure to present the Annual Report and Audited Financial Statements of the Company and the Group for the financial year ended 31 March 2012.

Financial Performance

For the financial year under review, the Group has registered higher revenue of RM146.9 million compared to RM106.4 million recorded in the previous financial year. The increase in revenue was mainly due to increased construction activity and disposal of a piece of land. Without taking into consideration the reversal of allowance for impairment of investment in an associated company, the profit before tax for the Group increased from RM41.1 million in 2011 to RM50.8 million in 2012. The increase was mainly attributable to the gain derived from disposal of lands.

Review of Operation

During the financial year, a subsidiary of Brem awarded a Turnkey Contract to a Turnkey Main Contractor to undertake and carry out mixed development on a piece of land in the Klang Valley for a turnkey contract sum of RM232.0 million. The said mixed development consists of 64 units of Semi-Detached House, 51 units of Bungalow, 26 units of 3-storey Shop Office, 1 unit of Club House and 1 unit of Guard House. We expect to commence this development upon obtaining the building plan approval and the contract completion period shall be 30 months from the said approval.

In the mid year of 2012, the Group has launched Pelangi Heights Phase 2 in Klang for the development project comprises 370 units of medium cost apartment and 90 units of low cost apartment. The project will generate a Gross Development Value of approximately RM78.0 million to the Group. The development is expected to be completed in the last quarter of year 2014.

The rental income generated from our investment properties have been contributing positively and consistently to the profit and cashflow of the Group.

The water concession business in Papua New Guinea has been generating stable revenue and cashflow for the Group and is expected to continue contributing positively to the Group and remains a significant contributor to our results.

Dividend

The Board of Directors has recommended a first and final dividend of 6.0 sen less 25% income tax per ordinary share in respect of the year ended 31 March 2012 for shareholders' approval at the forthcoming 31st Annual General Meeting of the Company.

Industry Trends and Development

The Economic Transformation Program launched with the continued implementation of affordable housing scheme nationwide under the 10th Malaysian Plan (2011-2015) by the Government of Malaysia is expected to have a positive impact on the local construction and property industries in year 2012. Coupled with the large allocation under the year 2012 Budget for the infrastructure and development projects, we strongly believe that the construction sector will be one of the key drivers of the economy.

Corporate Social Responsibility

The Group is committed in maintaining awareness on health, safety and environment aspects by promoting safe work practices to all employees, contractors and the public. Concerted efforts are continually made to create awareness on the collective responsibility among the employees for the prevention of injuries and occupational health hazards and the assurance of public safety when carrying out its business activities.

Other Corporate Social Responsibility activities of the Group in 2012 include its continual commitment to the preservation of the environment, charitable contributions to the welfare of the needy and the less fortunate, as well as undertaking support courses related to personal training and development of recreational activities for our employees.

Appreciation

On behalf of the Board, I wish to extend my heartfelt gratitude to our shareholders, business associates, contractors, consultants, suppliers, financial institutions and regulatory authorities for their continued support, guidance and assistance extended to the Group.

Last but not least, I would like to record our appreciation to the management team for their sacrifices over the years, as well as dedication and contributions to the Group.

DATO' HJ. ABU SUJAK BIN HJ. MAHMUD
Chairman

Group Financial Highlights

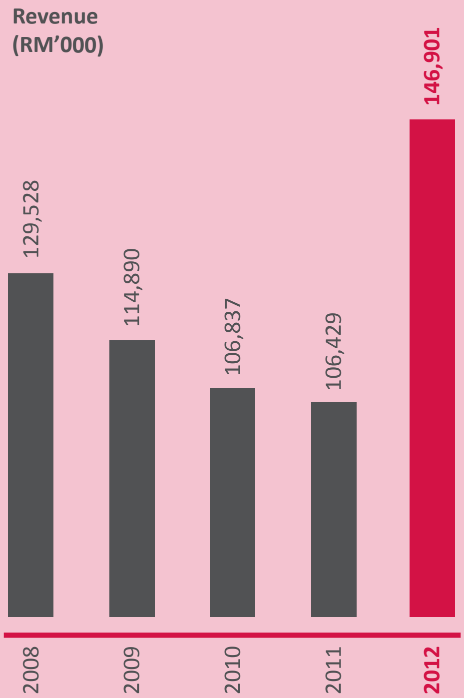
INCOME STATEMENT *(Financial Year Ended 31 March)*	**2012** RM '000	**2011** RM '000 (Restated)	**2010** RM '000	**2009** RM '000	**2008** RM '000
Revenue	146,901	106,429	106,837	114,890	129,528
Profit before taxation	57,283	61,676	22,094	23,388	48,247
Taxation	(13,212)	(9,718)	(4,815)	(5,552)	(4,830)
Profit after taxation	44,071	51,958	17,279	17,836	43,417
Non-controlling interests	(10,488)	(8,657)	(5,534)	(4,359)	(6,032)
Profit attributable to shareholders	33,583	43,301	11,745	13,477	37,385

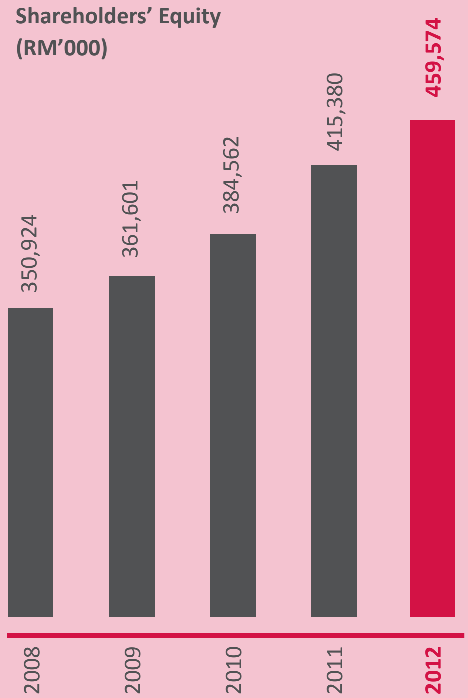
BALANCE SHEET *(As At 31 March)*	**2012** RM '000	**2011** RM '000 (Restated)	**2010** RM '000 (Restated)	**2009** RM '000 (Restated)	**2008** RM '000 (Restated)
Equities					
Share capital	172,736	139,616	139,616	123,543	123,542
Reserves	289,486	283,804	248,605	240,162	227,382
Treasury shares	(2,648)	(8,040)	(3,659)	(2,104)	-
Equity attributable to shareholders	459,574	415,380	384,562	361,601	350,924
Non-controlling interests	133,714	108,465	106,306	56,871	50,983
Total equity	593,288	523,845	490,868	418,472	401,907
Represented by:					
Property, plant and equipment	2,375	2,068	2,032	158,157	166,606
Operating financial assets	146,276	126,587	146,391	-	-
Land held for property development	199,956	65,316	52,956	-	-
Investment properties	120,209	128,112	123,467	121,101	103,447
Associated companies	66,798	56,997	21,646	56,433	55,410
Other investments	5,595	5,595	5,595	5,595	595
Intangible assets	33,257	33,257	33,257	9,495	9,495
Non-current trade receivables	588	545	-	-	-
Net current assets	110,026	148,829	170,674	117,050	132,358
Deferred taxation	(9,294)	(6,622)	(6,193)	(5,785)	(6,426)
Long term liabilities	(74,352)	(30,405)	(49,473)	(34,224)	(42,875)
Debentures	(8,146)	(6,434)	(9,484)	(9,350)	(16,703)
	593,288	523,845	490,868	418,472	401,907

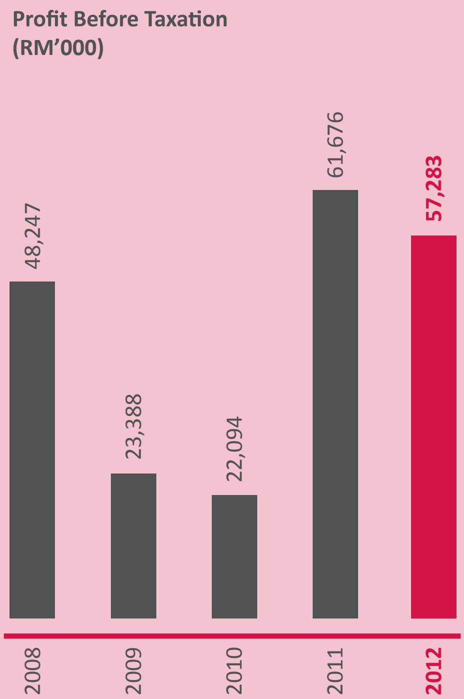
Net Tangible Assets Per Share (RM)	2.51	2.90	2.58	2.89	2.76
Gross Earnings Per Share (RM)	0.35*#	0.37*#	0.17*	0.19*	0.39*
Gross Dividend Per Share (%)	6.00	10.00	5.00	5.00	13.00

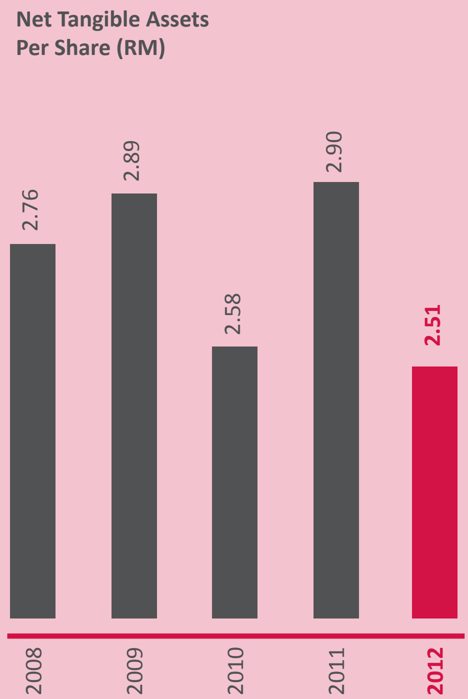
* Based on the weighted average number of ordinary shares

Adjusted for bonus issue.


Revenue
(RM'000)
129,528
114,890
106,837
106,429
146,901
2008
2009
2010
2011
2012


Shareholders' Equity
(RM'000)
350,924
361,601
384,562
415,380
459,574
2008
2009
2010
2011
2012


Profit Before Taxation
(RM'000)
48,247
23,388
22,094
61,676
57,283
2008
2009
2010
2011
2012


Net Tangible Assets
Per Share (RM)
2.76
2.89
2.58
2.90
2.51
2008
2009
2010
2011
2012

The Board of Directors of Brem Holding Berhad acknowledges the importance of maintaining good corporate governance in the Group and is committed to ensure that the principles and best practices of corporate governance as set out in the Malaysian Code On Corporate Governance ("the Code") are observed throughout the Group.

Set out below is a statement of how the Group has applied the principles and the extent of the Group's compliance with the best practices of the Code throughout the financial year ended 31 March 2012.

A. BOARD OF DIRECTORS

1. The Board Balance and Board Responsibilities

The Group is headed by an effective board that leads and controls over the Group's activities. It consists of 7 members comprising an Independent Non-Executive Chairman, a Managing Director, an Executive Director, three Non-Independent and Non-Executive Directors and one Independent Non-Executive Director. A brief profile of each Director is presented on pages 11 to 12 of this Annual Report. The Board has identified Mr. Wong Miow Song as a Senior Independent Non-Executive Director to whom concerns may be conveyed. The composition of the Board complies with the Listing Requirements that requires at least one third of the Board to consist of independent directors. Therefore, no individual or small group of individuals can dominate the Board's decision making.

The Board has overall responsibility for the corporate governance and the proper conduct of the Company's business and financial matters including approval for material acquisition and disposal of assets or investments, quarterly and annual results and any significant matters.

The roles of the Chairman and Managing Director are separated and clearly defined to ensure that there are a balance of power and authority. The Chairman is primarily responsible for the effective conduct of the Board whilst the Managing Director is responsible for the day-to-day business operations and implementation of Board decisions and policies.

The presence of Independent Non-Executive Directors will ensure an independent and unbiased view at Board deliberations and fair judgement to safeguard the interest of the Company and shareholders.

2. Board Structures and Procedures

The Board has scheduled to meet at least 4 times a year at quarterly interval with additional meetings to be held as and when necessary. At each regularly scheduled meeting, full financial business review including business performance is carried out. During the financial year ended 31 March 2012, seven (7) Board meetings were held and all Directors in office attended 100% of the meetings.

3. Supply of Information

The Board is supplied with full and timely information to enable members of the Board to discharge their duties and responsibilities effectively. At least four Board meetings are held annually to consider the quarterly financial results and review operational performance. Additional meetings are convened as and when necessary. Board papers, which include the agenda and other relevant information to the issues of the meetings, are distributed to Board members in advance to ensure that they are properly briefed before the meetings. Directors shall have access to all information within the Company whether as a full Board or in their individual capacity, in furtherance of their duties.

The Directors have access to advices and services of the Company Secretary and are updated on new statutory, regulations or requirements concerning their duties and responsibilities.

Directors may also seek independent professional advice from external consultants at the Company's expenses if deemed reasonable and necessary.

4. Appointments to the Board

The Board has established a Nomination Committee which comprises 2 Independent Non-Executive Directors namely Mr. Wong Miow Song and Dato' Hj. Abu Sujak bin Hj. Mahmud and a Non-Independent Non-Executive Director Ms. Khoo Hui Giok. One of its objectives is to develop a formal and transparent procedure for the appointments of new directors to the Board of Brem Holding Berhad. The Nomination Committee considers and recommends to the Board of the Company technically competent persons of integrity with a strong sense of professionalism to be appointed to the Board. The Committee also reviews the performance of members of the Board. The appointment of the Directors remains the responsibility of the Board after taking into consideration the recommendations of the Nomination Committee.

5. Directors' Training

Throughout the year, the Board of Directors received updates and briefings, particularly on the relevant regulatory and developments in the market place, to keep themselves abreast with relevant changes in order to aid the Directors in the discharge of their duties. The Directors will continue to undergo other relevant training programmes to equip themselves with broad knowledge and understanding of various provisions, rules, regulations and the latest development in the industries. For the financial year ended 31 March 2012, all the directors have attended development and training programmes, the details of which were as follows:

Name of Directors	Development and Training Programmes
Dato'Hj. Abu Sujak bin Hj.Mahmud	CSR Asia: The case for diversity in the boardroom
Khoo Chai Kaa	CSR Asia: The case for diversity in the boardroom
Low Yew Hwa	a) 7th Tricor Tax & Corporate Seminar b) REHDA : Planning and development in Selangor - The Way Forward
Khoo Chai Thiam	CSR Asia: The case for diversity in the boardroom
Wong Miow Song	CSR Asia: The case for diversity in the boardroom
Khoo Hui Keam	a) Neville Clarke : ISO 9001 Process based Internal Auditing b) Neville Clarke : Understanding An ISO 9001:2008 Quality Management System c) Taylor's University : School of Hospitality, Tourism and Culinary Arts-Malaysia
Khoo Hui Giok	Creative solutions for Problem Solving

Re-election of Directors

In accordance with the Company' Articles of Association, at least one third of the Board are subject to retirement by rotation at each Annual General Meeting ("AGM"). All Directors shall retire once in every 3 years and is eligible for re-election. Directors over seventy years of age are required to submit themselves for re-appointment annually in accordance with S129(6) of the Companies Act 1965.

B. DIRECTORS' REMUNERATION

A Remuneration Committee was set-up on 27 February 2002. The committee consists of 2 Independent Non-Executive Directors namely Dato' Hj. Abu Sujak bin Hj. Mahmud, Mr. Wong Miow Song, and the Managing Director, Mr. Khoo Chai Kaa. The Remuneration Committee is authorised by the Board to recommend the remuneration package of the Executive Directors. The Board determines the remuneration of the Non-Executive Directors. Directors' fees are approved at the AGM by the shareholders. Directors do not participate in decisions regarding their own remuneration package.

The remuneration policy aims to attract and retain Directors, and the remuneration package is well structured to ensure that it is compatible with their corporate and individual performance.

The details of Directors' remuneration payable to the Directors of the Company for the financial year ended 31 March 2012, by category and in successive bands of RM50,000.00 are as follows:

	Salaries and other emoluments RM	Fees RM	Total RM
Executive Director	560,225	30,000	590,225
Non-Executive Director	38,000	40,000	78,000

Range of Remuneration	Executive Directors No. of Directors	Non-Executive Directors No. of Directors
1 - 50,000	1	4
200,001 - 250,000	1	-
300,001 - 350,000	1	-
Total	3	4

C. COMMUNICATION WITH SHAREHOLDERS

The Company recognises the importance of timely and thorough dissemination of all material business and corporate developments to shareholders and investors.

Shareholders and investors are kept informed of all major developments within the Group by way of announcement to Bursa Securities electronically, the Company's Annual Report, circulars to shareholders via its website at www.bursamalaysia.com.my. Extensive information about the Company's activities and news is available at the Company's website at www.bremholding.com.

Shareholders are encouraged to attend and participate at the AGM. Shareholders who are unable to attend are allowed to appoint proxies. Board members and External Auditors of the Company are present to answer questions raised at the meeting.

D. ACCOUNTABILITY AND AUDIT

1. Financial Reporting

In presenting the annual financial statements and quarterly announcements, the Directors aim to present a balanced, fair and comprehensive assessment of the Group's position and prospects. The Audit Committee assists the Board in reviewing all the information disclosed to ensure accuracy, adequacy and integrity prior to recommendation to the Board for approval.

2. Directors' Responsibility Statement

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Company and of the Group as at the end of the accounting year. The Board considers that the Company uses appropriate accounting policies that are consistently applied and supported by reasonable as well as prudent judgements and estimates, and that all accounting standards, which it considers applicable, have been followed in the preparation of the financial statements.

The Board is responsible for ensuring that the Company keeps proper accounting records and that such records are disclosed with reasonable accuracy to ensure that the financial statements comply with the Companies Act, 1965. The Board has the general responsibility for taking such steps to safeguard the assets of the Group and to detect and prevent fraud as well as other irregularities.

3. Internal Control

The Board recognises the importance of an effective system of internal controls covering not only financial controls but also operational and compliance controls as well as risk management. The system of internal controls is designed to manage rather than eliminate the risk and can only help to minimize and provide reasonable but not absolute assurance against material misstatement, loss or fraud.

An internal audit function has been put in place to undertake regular reviews of the Group's system of controls, policies and procedures, implementation and operations. Report will be submitted to Audit Committee for action.

4. Relationship with the Auditors

The Audit Committee's terms of reference formalises the relationship with the External Auditors to report to the members of the Company on their findings which are included as part of the Company's financial reports with respect to each year's audit on the statutory financial statements. In doing so, the Company has established a transparent arrangement with the auditors to meet their professional requirements and seeking professional advice and ensuring compliance with accounting standards. In the course of audit of the Group's operation, the Auditors have highlighted to the Audit Committee and the Board on matters that require the Board's attention.

The role of the Audit Committee in relation to the External Auditors is described on pages 26 to 29 of this Annual Report.

Audit Committee Report

ESTABISHMENT AND COMPOSITION

The Audit Committee of Brem Holding Berhad was established on 25 July 1994. For the financial year ended 31 March 2012, the Audit Committee comprises the following three directors:-

Chairman
Mr. Wong Miow Song — *(Independent Non-Executive Director)*

Members
Dato' Hj. Abu Sujak bin Hj. Mahmud — *(Independent Non-Executive Director)*
Ms. Khoo Hui Giok — *(Non-Independent Non-Executive Director)*

SUMMARY OF THE TERMS OF REFERENCE

(1) MEMBERSHIP

1.1) The Committee shall be appointed by the Board from amongst the non-executive directors of the Company and shall consist of not less than three members, of whom the majority shall be independent.

1.2) The Committee shall include at least one person who is a member of the Malaysian Institute of Accountants or alternatively a person who must have at least 3 years' working experience and have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967 or is a member of one of the associations of accountants specified in Part II of the said Schedule or alternatively a person who has fulfill such other requirements as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities") or approved by Bursa Securities.

1.3) No alternate director shall be appointed as a member of the Committee.

1.4) The members of the Committee shall elect from among their number a chairman who is non-executive and independent, as defined above.

1.5) If one or more members of the Committee resign, die or for any other reason cease to be a member with the result that the Listing Requirements of the Bursa Securities are breached, the Board shall, within three months of the event, appoint such number of new members as may be required to correct the breach.

1.6) The Board shall review the term of office of Committee members not less than once every three years.

(2) AUTHORITY

The Committee is authorised by the Board, in accordance with the procedures to be determined by the Board (if any) and at the cost of the Company, to:

(a) investigate any activity within the Committee's terms of reference;
(b) have resources which are reasonably required to enable it to perform its duties;
(c) have full and unrestricted access to any information pertaining to the Company or the Group;
(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
(e) obtain outside legal or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
(f) convene meetings with the external auditors, internal auditors or both, excluding the attendance of the executive members of the other directors and employees of the Company, whenever deemed necessary.

(3) FUNCTIONS AND RESPONSIBILITIES

3.1) The Audit Committee shall, amongst others, discharge the following functions:-

3.1.1) review the following and report the same to the Board:-

(a) with the external auditors, the scope of the audit and the audit plan;
(b) with the external auditors, their evaluation of the system of internal controls;
(c) with the external auditors, their management letter and the management's response;
(d) with the external auditors, their audit report;
(e) the assistance given by the employees to the external auditors;
(f) the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
(g) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
(h) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:-
    (i) any changes in or implementation of major accounting policy changes;
    (ii) significant adjustments arising from the audit;
    (iii) significant and unusual events;
    (iv) the going concern assumption; and
    (v) compliance with accounting standards and other legal requirements;
(i) any related party transaction and conflict of interest situation that may arise within the Company or the group including any transaction, procedure or course of conduct that raises questions of management integrity;
(j) any letter of resignation from the external auditors; and
(k) whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment;

3.1.2) recommend the nomination of a person or persons as external auditors; and

3.1.3) any other matters as directed by the Board.

3.2) The Committee shall establish an internal audit function which is independent of the activities it audits.

3.3) The Committee shall oversee all internal audit functions and is authorized to commission investigations to be conducted by internal audit as it deems fit.

3.4) The internal auditor shall report directly to the Committee and shall have direct access to the Chairman of the Committee.

3.5) All proposals by management regarding the appointment, transfer or dismissal of the internal auditor shall require the prior approval of the Committee.

(4) QUORUM, ATTENDANCE AND FREQUENCY OF MEETINGS

4.1) The quorum shall be formed only if there is a majority of members present at the meeting who are independent directors.

4.2) The Head of Finance, the Head of Internal Audit and a representative of the External Auditors shall normally attend meetings. Other Board members and employees may attend any particular meeting only at the Audit Committee's invitation, specific to the relevant meeting. However, twice a year the Committee shall meet with the External Auditors without executive Board members present.

4.3) The Chairman shall call for meetings, to be held not less than four times a year. The External Auditors may request a meeting if they consider one necessary.

AUDIT COMMITTEE MEETINGS

The Audit Committee met five times during the financial year ended 31 March 2012. The details of Audit Committee's meetings held and attended by the Committee during the financial year are as follows:-

Audit Committee Member	No. of Audit Committee Meetings	
	Held	Attended
Chairman Wong Miow Song *(Independent Non-Executive Director)*	5	5
Members Dato' Hj. Abu Sujak bin Hj. Mahmud *(Independent Non-Executive Director)*	5	5
Khoo Hui Giok *(Non-Independent Non-Executive Director)*	5	5

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2012

During the financial year ended 31 March 2012, the activities of the Audit Committee included the following:-

(a) reviewed the unaudited quarterly financial results and announcements for the financial quarters prior to submission to the Board of Directors for consideration and approval;

(b) reviewed the audited financial statements for the year ended 31 March 2011;

(c) reviewed the external auditors' report to the Committee in relation to the audit and accounting issues arising from the audit of the Group's financial statements and the management's response;

(d) considered the audit fee payable and the nomination of the external auditors for recommendation to the Board for appointment;

(e) reviewed the assistance given by the employees to the external auditors in respect of the audit for the year ended 31 March 2011;

(f) reviewed the external auditors' audit plans and the scope of audit for the financial year ended 31 March 2012;

(g) met with the external auditors twice during the financial year ended 31 March 2012 without the presence of any executive Board members;

(h) reviewed internal audit reports prepared by the Internal Auditor on the Company and its subsidiaries and management implementation of audit recommendations;

(i) reviewed the internal audit plan for 2012 outlining its scope and focus;

(j) reviewed the disclosure statements on Corporate Governance, Audit Committee Report and the Statement of Internal Control for the year ended 31 March 2011 and recommended their adoption to the Board; and

(k) reviewed the guidelines and procedures set out to monitor recurrent related party transactions.

INTERNAL AUDIT FUNCTION

The Group has an in-house Internal Audit Department which assists the Audit Committee in the discharge of its duties and responsibilities until 16 January 2012. On 1 March 2012, the Group had outsourced its internal audit function to an internal audit consulting company and the selected team is independent of the activities audited by them.

The internal audit function is to ensure a regular review of the adequacy and integrity of the Group's internal control systems so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Group. The Internal Auditor undertakes internal audit function based on the audit plan that is reviewed and approved by the Audit Committee.

During the financial year under review, the Internal Auditor has conducted audit on the operating subsidiaries and submitted his findings to the Audit Committee. Internal audit reports prepared by the Internal Auditor were circulated to all members of the Audit Committee. All internal audit reports were reviewed by the Audit Committee and discussed at Audit Committee Meetings and recommendations were duly acted upon by the management.

The cost incurred for the internal audit function in respect of the financial year ended 31 March 2012 was RM65,600/-.

CONTENTS

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of general contractors, property development, property investments and investment holdings. All other operational activities of the Group are undertaken by respective subsidiaries and associates and are disclosed in Notes 8 and 9 to the financial statements.

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

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit for the year	44,070,637	11,797,269
Attributable to:		
Shareholders of the Company	33,583,294	11,797,269
Non-controlling interests	10,487,343	-
	44,070,637	11,797,269

DIVIDENDS

A first and final dividend of 5% less 25% amounting to RM4,697,955 in respect of the financial year ended 31 March 2011 has been paid on 9 December 2011.

The Directors also declared a dividend in respect of the financial year ended 31 March 2011 by way of distribution of share dividend on the basis of one (1) treasury share for every twenty five (25) existing ordinary share of RM1 each amounting to RM6,664,994 on 9 December 2011. The share dividend involved the distribution of 5,299,069 treasury shares which were credited into the entitled Depositors' Securities Accounts on 9 December 2011.

At the forthcoming Annual General Meeting, a first and final dividend of 6% less 25% tax in respect of the financial year ended 31 March 2012 will be proposed for shareholders' approval. The financial statements for the current financial year does not reflect this proposed dividend, such dividend when approved by shareholders will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 March 2013.

SHARES

During the financial year, the Company repurchased 914,700 ordinary shares of RM1 each of its issued ordinary shares from open market at an average price of RM1.39 per share. The total consideration paid for the repurchase including transaction costs was RM1,273,047. The shares repurchased were held as treasury shares in accordance with Section 67A of the Companies Act, 1965 in Malaysia.

SHARES (Cont'd)

Bonus share issue during the financial year is as follows:

Date of Issue	Class of Shares	Number of Shares	Term of Issue
18.11.2011	Ordinary	33,119,674	Capitalisation from share premium and retained earnings.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

RESERVES AND PROVISIONS

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

INFORMATION ON THE FINANCIAL STATEMENTS

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

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

b. to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

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

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

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

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

INFORMATION ON THE FINANCIAL STATEMENTS (Cont'd)

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

a. 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 liability of any other person; or

b. any contingent liability of the Group or of the Company which has arisen since the end of the financial year other than as disclosed in Note 36 to the financial statements.

DIRECTORS' BENEFITS

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 Directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except as recorded and disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company or its related companies was a party, whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS OF THE COMPANY

Directors who served on the Board of the Company since the date of the last report are as follows:

DATO' HJ. ABU SUJAK BIN HJ. MAHMUD
KHOO CHAI KAA
LOW YEW HWA
KHOO CHAI THIAM
WONG MIOW SONG
KHOO HUI KEAM
KHOO HUI GIOK

In accordance with Article 80 of the Company's Article of Association, Low Yew Hwa and Khoo Chai Thiam retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Section 129(2) of the Companies Act, 1965 in Malaysia, Dato' Hj. Abu Sujak Bin Hj. Mahmud having attained age of 70, shall vacate the office of the Director of the Company. However, pursuant to Section 129(6), he may be re-appointed by resolution passed by a majority of not less than three-fourths of such number of shareholders of the Company entitled to vote at a general meeting of the Company. The appointment to hold office shall be until the next Annual General Meeting of the Company. A resolution to re-appoint him as Director of the Company will be proposed at the forthcoming Annual General Meeting.

DIRECTORS' INTERESTS

The shareholdings in the Company of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	Number of ordinary shares of RM1 each			
Direct Interest	**Balance at 01.04.2011**	**Allotted/ Bought**	**Sold**	**Balance at 31.03.2012**
KHOO CHAI KAA	18,894,892	5,479,518	-	24,374,410
LOW YEW HWA	1,961,910	568,953	-	2,530,863
KHOO CHAI THIAM	2,657,886	770,786	-	3,428,672
Indirect Interest				
KHOO CHAI KAA*	30,940,582	8,972,768	-	39,913,350

* *Indirect interest through Brem Properties Sdn. Bhd.*

By virtue of his interest in shares in the Company, Mr. Khoo Chai Kaa is also deemed to be interested in the shares of all the subsidiary companies to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year held any interest in shares or debentures of the Company or the subsidiary companies.

OTHER STATUTORY INFORMATION

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

In the opinion of the Directors:

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

b. there has not arisen in the interval between the end of the financial year and the date of this report, any such item, transaction or event of a material and unusual nature 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.

AUDITORS

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

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

KHOO CHAI KAA	KHOO CHAI THIAM

KUALA LUMPUR
DATE:

Statement by Directors
Pursuant to Section 169(15) of the Companies Act, 1965

We, **KHOO CHAI KAA** and **KHOO CHAI THIAM**, two of the Directors of BREM HOLDING BERHAD, state that, in the opinion of the Directors, the accompanying financial statements of the Group and of the Company, together with the notes thereto, 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 31 March 2012 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

The supplementary information set out in Note 46, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

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

KHOO CHAI KAA

KHOO CHAI THIAM

KUALA LUMPUR
DATE:

Statutory Declaration
Pursuant to Section 169(16) of the Companies Act, 1965

I, **KHOO CHAI KAA**, the Director primarily responsible for the financial management of BREM HOLDING BERHAD, do solemnly and sincerely declare that, to the best of my knowledge and belief, the accompanying financial statements of the Group and of the Company, together with the notes thereto, 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 **KHOO CHAI KAA** }
at Kuala Lumpur in the Federal Territory }
this day of }
}
}

Before me:

KHOO CHAI KAA

Commissioner for Oaths

Independent Auditors' Report
to the Members of Brem Holding Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of BREM HOLDING BERHAD which comprise the statements of financial position of the Group and of the Company as at 31 March 2012, the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

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 whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements 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 31 March 2012 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

b) we have considered the financial statements and the auditors' reports of all subsidiary companies of which we have not acted as auditors, which are indicated in Note 8 to the financial statements.

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

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

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 46 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements" as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

STYL ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM NO: AF-1929

LEOU THIAM LAI
APPROVED COMPANY AUDITOR
TREASURY APPROVAL NO.1269/6/14(J)

KUALA LUMPUR
DATE: 26 JULY 2012

Statements of Financial Position
as at 31 March 2012

ASSETS	Note	GROUP 31.03.2012 RM	GROUP 31.03.2011 RM Restated	GROUP 01.04.2010 RM Restated	COMPANY 31.03.2012 RM	COMPANY 31.03.2011 RM
Non-current assets						
Property, plant and equipment	4	2,375,239	2,067,638	2,032,310	1,008,766	883,500
Operating financial assets	5	146,276,408	126,586,984	146,390,328	-	-
Land held for property development	6	199,956,330	65,316,271	52,955,764	-	-
Investment properties	7	120,209,270	128,112,458	123,467,157	-	-
Investment in subsidiary companies	8	-	-	-	91,448,469	87,698,469
Investment in associated companies	9	66,797,894	56,996,898	21,645,858	56,100,000	49,640,000
Other investments - unquoted		5,595,445	5,595,445	5,595,445	5,000,000	5,000,000
Deferred tax assets	10	3,421,061	3,302,393	3,399,069	-	4,400
Goodwill on consolidation	11	33,257,325	33,257,325	33,257,325	-	-
Trade receivables	12	587,608	545,096	-	-	-
Total non-current assets		578,476,580	421,780,508	388,743,256	153,557,235	143,226,369
Current assets						
Property development costs	13	102,682,254	98,405,091	99,855,770	46,618,573	46,993,860
Inventories	14	13,272,175	14,279,437	17,971,592	13,183,155	13,073,391
Short term investments		-	4,970,279	22,321,950	-	4,970,279
Trade receivables	12	55,070,579	48,298,799	39,960,006	24,513,968	22,833,475
Other receivables and deposits	15	12,544,027	19,344,021	17,726,255	2,620,582	3,917,536
Amount due from subsidiary companies	16	-	-	-	106,101,282	97,341,069
Deposits with licensed financial institutions	17	13,856,913	14,502,700	1,084,492	21,417	53,733
Tax recoverable		2,308,096	1,615,273	2,945,175	-	5,767
Cash and bank balances	18	13,416,684	11,249,019	21,125,080	17,000	3,528,140
Total current assets		213,150,728	212,664,619	222,990,320	193,075,977	192,717,250
Total assets		791,627,308	634,445,127	611,733,576	346,633,212	335,943,619

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

Statements of Financial Position

as at 31 March 2012 (Cont'd)

ASSETS	Note	GROUP 31.03.2012 RM	GROUP 31.03.2011 RM Restated	GROUP 01.04.2010 RM Restated	COMPANY 31.03.2012 RM	COMPANY 31.03.2011 RM
Equity attributable to shareholders of the Company						
Share capital	19	172,736,172	139,616,498	139,616,498	172,736,172	139,616,498
Reserves	20	289,486,332	283,804,306	248,604,440	128,914,204	161,958,057
Treasury shares	21	(2,648,237)	(8,040,184)	(3,659,018)	(2,648,237)	(8,040,184)
Total equity attributable to shareholders of the Company		459,574,267	415,380,620	384,561,920	299,002,139	293,534,371
Non-controlling interests	22	133,714,227	108,464,599	106,305,798	-	-
Shareholders' equity		593,288,494	523,845,219	490,867,718	299,002,139	293,534,371
Non-current liabilities						
Hire purchase payables	23	553,185	452,672	315,627	496,307	425,403
Bank borrowings	24	73,799,086	29,952,511	49,157,347	-	-
Deferred tax liabilities	10	12,715,370	9,924,901	9,592,452	67,100	-
Debentures	25	-	6,434,100	9,483,955	-	-
Total non-current liabilities		87,067,641	46,764,184	68,549,381	563,407	425,403
Current liabilities						
Trade payables	26	18,330,887	15,488,238	17,841,861	10,710,286	9,795,802
Other payables and accruals	27	56,848,243	10,818,192	11,752,300	1,371,950	507,384
Amount due to subsidiary companies	28	-	-	-	23,744,398	18,454,618
Amount due to Directors	29	4,454,072	5,730,782	1,607,918	1,697,376	5,471,376
Hire purchase payables	23	238,762	148,120	156,861	188,738	124,756
Bank borrowings	24	21,933,477	31,328,405	18,677,294	8,941,734	7,629,909
Debentures	25	8,145,900	-	-	-	-
Provision for taxation		1,319,832	321,987	2,280,243	413,184	-
Total current liabilities		111,271,173	63,835,724	52,316,477	47,067,666	41,983,845
Total liabilities		198,338,814	110,599,908	120,865,858	47,631,073	42,409,248
Total equity and liabilities		791,627,308	634,445,127	611,733,576	346,633,212	335,943,619

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

Statements of Comprehensive Income
for the year ended 31 March 2012

	Note	GROUP 2012 RM	GROUP 2011 RM Restated	COMPANY 2012 RM	COMPANY 2011 RM
Revenue	30	146,901,312	106,428,543	39,814,302	22,460,096
Cost of sales	31	(117,032,672)	(80,934,111)	(33,168,908)	(12,074,555)
Gross profit		29,868,640	25,494,432	6,645,394	10,385,541
Other income		33,168,051	42,946,512	9,471,366	22,066,546
Administrative expenses		(7,300,639)	(6,563,264)	(2,852,143)	(2,736,834)
Finance costs		(4,304,736)	(5,895,385)	(246,318)	(94,372)
Share of results of associated companies		5,851,793	5,693,778	-	-
Profit before taxation	32	57,283,109	61,676,073	13,018,299	29,620,881
Taxation	33	(13,212,472)	(9,717,518)	(1,221,030)	(748,678)
Profit for the year		44,070,637	51,958,555	11,797,269	28,872,203
Profit attributable to:					
Shareholders of the Company		33,583,294	43,301,411		
Non-controlling interests		10,487,343	8,657,144		
		44,070,637	51,958,555		
Earnings per share (sen)					
- Basic (sen)	34	20.26	25.72		
- Diluted (sen)	34	20.26	25.72		

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

Statements of Comprehensive Income
for the year ended 31 March 2012 (cont'd)

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Profit for the financial year	44,070,637	51,958,555	11,797,269	28,872,203
Other comprehensive income				
Foreign currency translation difference	32,952,139	(9,358,389)	-	-
Total comprehensive income for the financial year	77,022,776	42,600,166	11,797,269	28,872,203
Total comprehensive income attributable to:				
Shareholders of the Company	50,523,148	40,353,202	11,797,269	28,872,203
Non-controlling interests	26,499,628	2,246,964	-	-
	77,022,776	42,600,166	11,797,269	28,872,203

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

Statements of Changes in Equity

for the year ended 31 March 2012

		Attributable to Shareholders of the Company								
		Non distributable				Distributable				
GROUP	Note	Share Capital RM	Share Premium RM	Capital Reserves RM	Exchange Fluctuation Reserves RM	Treasury Shares RM	Retained Earnings RM	Total RM	Non-controlling Interests RM	Total Equity RM
Balance at 1 April 2010		139,616,498	31,557,380	3,884,536	1,259,432	(3,659,018)	210,783,355	383,442,183	105,229,973	488,672,156
Effect of adopting IC int. 12		-	-	-	14,259	-	1,105,478	1,119,737	1,075,825	2,195,562
Balance at 1 April 2010 (Restated)		139,616,498	31,557,380	3,884,536	1,273,691	(3,659,018)	211,888,833	384,561,920	106,305,798	490,867,718
Effect of adopting FRS 139		-	-	-	-	-	(89,044)	(89,044)	(88,163)	(177,207)
Share repurchased		-	-	-	-	(4,381,166)	-	(4,381,166)	-	(4,381,166)
Total comprehensive income for the year		-	-	-	(2,948,209)	-	43,301,411	40,353,202	7,007,124	47,360,326
Dividend paid to non-controlling interest		-	-	-	-	-	-	-	(4,760,160)	(4,760,160)
Dividend paid	35	-	-	-	-	-	(5,064,292)	(5,064,292)	-	(5,064,292)
Balance at 31 March 2011 (Restated)		139,616,498	31,557,380	3,884,536	(1,674,518)	(8,040,184)	250,036,908	415,380,620	108,464,599	523,845,219
Share repurchased		-	-	-	-	(1,273,047)	-	(1,273,047)	-	(1,273,047)
Total comprehensive income for the year		-	-	-	16,939,854	-	33,583,294	50,523,148	26,499,628	77,022,776
Additional investment in a subsidiary company		-	-	-	-	-	-	-	(1,250,000)	(1,250,000)
Share issuance expenses		-	(88,499)	-	-	-	-	(88,499)	-	(88,499)
Bonus issue	19	33,119,674	(31,468,881)	-	-	-	(1,650,793)	-	-	-
Dividend paid	35	-	-	-	-	6,664,994	(11,632,949)	(4,967,955)	-	(4,967,955)
Balance at 31 March 2012		172,736,172	-	3,884,536	15,265,336	(2,648,237)	270,336,460	459,574,267	133,714,227	593,288,494

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

Statements of Changes in Equity
for the year ended 31 March 2012 (cont'd)

COMPANY	Note	Share Capital RM	Non distributable Share Premium RM	Distributable Treasury Shares RM	Distributable Retained Earnings RM	Total Shareholders' Equity RM
Balance at 1 April 2010		139,616,498	31,557,380	(3,659,018)	106,592,766	274,107,626
Share repurchased		-	-	(4,381,166)	-	(4,381,166)
Total comprehensive income for the year		-	-	-	28,872,203	28,872,203
Dividend paid	35	-	-	-	(5,064,292)	(5,064,292)
Balance at 31 March 2011		139,616,498	31,557,380	(8,040,184)	130,400,677	293,534,371
Share repurchased		-	-	(1,273,047)	-	(1,273,047)
Total comprehensive income for the year		-	-	-	11,797,269	11,797,269
Share issuance expenses		-	(88,499)	-	-	(88,499)
Bonus issue	19	33,119,674	(31,468,881)	-	(1,650,793)	-
Dividend paid	35	-	-	6,664,994	(11,632,949)	(4,967,955)
Balance at 31 March 2012		**172,736,172**	**-**	**(2,648,237)**	**128,914,204**	**299,002,139**

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

Consolidated Statement of Cash Flows
for the year ended 31 March 2012

	2012 RM	2011 RM Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	57,283,109	61,676,073
Adjustments for:		
Share of results of associated companies	(5,851,793)	(5,693,778)
Depreciation of property, plant and equipment	469,380	407,584
Depreciation of investment properties	2,474,351	1,939,190
Interest expenses	6,720,589	8,471,298
Property, plant and equipment written off	354	1,364
Interest income	(20,123,303)	(20,170,817)
Gain on disposal of property, plant and equipment	(250,696)	(78,604)
Gain on disposal of investment properties	(1,596,047)	-
Reversal of allowance for impairment of associated company	(6,460,000)	(20,614,904)
Unrealised loss on foreign exchange	800,990	76,946
Operating profit before working capital changes	33,466,934	26,014,352
Property development cost	(4,277,163)	1,450,679
Inventories	1,007,262	3,692,155
Receivables	(14,298)	(10,590,698)
Payables	46,795,001	758,187
Net cash generated from operations	76,977,736	21,324,675
Tax paid	(9,084,598)	(9,141,462)
Exchange fluctuation reserve	33,863,377	(5,065,638)
Net cash from operating activities	101,756,515	7,117,575
CASH FLOWS FROM INVESTING ACTIVITIES		
Operating financial assets	(19,689,424)	19,803,344
Purchase of property, plant and equipment	(372,646)	(241,478)
Acquisiton and additional development cost in investment properties	(535,949)	(6,584,491)
Acquisiton of land held for property development	(134,640,059)	(12,360,508)
Investment in associated companies	-	(10,650,541)
Dividend received	680,000	900,000
Proceeds from disposal of property, plant and equipment	250,700	178,800
Proceeds from disposal of investment properties	7,786,447	-
Interest received	20,123,303	20,170,817
Net cash (used in)/from investing activities	(126,397,628)	11,215,943

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

Consolidated Statement of Cash Flows
for the year ended 31 March 2012 (cont'd)

	2012 RM	2011 RM Restated
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(208,845)	(207,696)
Redemption of debentures	-	(2,704,705)
Repayment of term loans	(18,828,682)	(16,378,067)
Revolving credits	-	5,000,000
Proceeds from term loan	46,100,000	-
Repurchase of treasury shares	(1,273,047)	(4,381,166)
Expense for issuance of bonus shares	(88,499)	-
Dividend paid to minority shareholders of a subsidiary company	-	(4,760,160)
Dividend paid to shareholders of the Company	(4,967,955)	(5,064,292)
Interest paid	(6,720,589)	(8,471,298)
Placement of deposit with licensed financial institutions	(818,088)	(768,792)
Net cash from/(used in) financing activities	13,194,295	(37,736,176)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,446,818)	(19,402,658)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	21,172,223	40,574,881
CASH AND CASH EQUIVALENTS AT END OF YEAR	9,725,405	21,172,223
CASH AND CASH EQUIVALENTS COMPRISE:		
Deposits with licensed financial institutions	13,856,913	14,502,700
Short term investments	-	4,970,279
Cash and bank balances	13,416,684	11,249,019
Bank overdrafts	(14,929,477)	(7,749,148)
	12,344,120	22,972,850
Less: deposits pledged to licensed financial institutions	(2,618,715)	(1,800,627)
	9,725,405	21,172,223

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

Statement of Cash Flows
for the year ended 31 March 2012

	2012 RM	2011 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,018,299	29,620,881
Adjustments for:		
Bad debts written off	109,356	-
Depreciation	281,923	243,138
Interest expenses	223,858	24,373
Property, plant and equipment written off	88	1,352
Interest income	(1,073,402)	(1,075,919)
Dividend income	(1,760,000)	(5,708,000)
Gain on disposal of property, plant and equipment	(172,997)	(69,804)
Reversal of allowance for impairment of associated company	(6,460,000)	(20,614,904)
Unrealised loss on foreign exchange	-	6,733
Operating profit before working capital changes	4,167,125	2,427,850
Property development cost	375,287	(262,112)
Inventories	(109,764)	144,474
Receivables	(456,569)	431,273
Payables	1,779,050	(290,780)
Subsidiary companies	(3,470,433)	(16,935,893)
Directors' accounts	(3,774,000)	4,866,087
Net cash used in operations	(1,489,304)	(9,619,101)
Tax refund	258,711	-
Tax paid	(989,290)	(44,193)
Net cash used in operating activities	(2,219,883)	(9,663,294)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(143,606)	(133,723)
Investment in subsidiary companies	(3,750,000)	-
Investment in associated companies	-	(9,450,541)
Dividend received	1,760,000	5,708,000
Proceeds from disposal of property, plant and equipment	173,000	170,000
Interest received	1,073,402	1,075,919
Net cash used in investing activities	(887,204)	(2,630,345)

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

Statement of Cash Flows
for the year ended 31 March 2012 (cont'd)

	2012 RM	2011 RM
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(165,114)	(193,774)
Revolving credits	-	5,000,000
Repurchase of treasury shares	(1,273,047)	(4,381,166)
Share issuance expenses	(88,499)	-
Dividend paid to shareholders of the Company	(4,967,955)	(5,064,292)
Interest paid	(223,858)	(24,373)
Net cash used in financing activities	(6,718,473)	(4,663,605)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,825,560)	(16,957,244)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,922,243	22,879,487
CASH AND CASH EQUIVALENTS AT END OF YEAR	(3,903,317)	5,922,243
CASH AND CASH EQUIVALENTS COMPRISE:		
Deposits with licensed financial institutions	21,417	53,733
Short term investments	-	4,970,279
Cash and bank balances	17,000	3,528,140
Bank overdrafts	(3,941,734)	(2,629,909)
	(3,903,317)	5,922,243

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

Notes to the Financial Statements
for the year ended 31 March 2012

1. CORPORATE INFORMATION

The principal activities of the Company are those of general contractors, property development, property investments and investment holdings. All other operational activities of the Group are undertaken by respective subsidiaries and associates and are disclosed in Notes 8 and 9 to the financial statements.

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

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 are located at 3rd Floor, Brem House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 July 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRS") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS as described below.

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

The financial statements are presented in Ringgit Malaysia (RM) except when otherwise indicated.

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs
The accounting policies adopted are consistent with those of the previous financial year except that the Group and the Company adopted, where applicable, the following new and amended FRS and Issues Committee ("IC") Interpretations which became mandatory at the beginning of the current financial year.

- FRS 1: First Time Adoption of Financial Reporting Standards (Revised)
- FRS 3: Business Combinations (Revised)
- FRS 127: Consolidated and Separate Financial Statements (Revised)
- Amendments to FRS 1: Limited Exemption from Comparative FRS 7: Disclosures for First-time Adopters
- Amendments to FRS 1: Additional Exemption for First-time Adopters
- Amendments to FRS 2: Share-based Payment
- Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
- Amendments to FRS 3: Business Combinations [Improvements to FRSs (2010)]
- Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 7: Financial Instruments: Disclosure – Improving Disclosures about Financial Instruments
- Amendments to FRS 101: Presentation of items of other Comprehensive Income
- Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates
- Amendments to FRS 127: Consolidated and Separate Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

• Amendments to FRS 128: Investments in Associates
• Amendments to FRS 132: Financial Instruments: Presentation – Classification of Right Issues
• Amendments to FRS 134: Interim Financial Reporting – [Improvements to FRSs (2010)]
• Amendments to FRS 138: Intangible Assets
• Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
• Amendments to IC Interpretation 15: Agreements for the Construction of Real Estate
• IC Interpretation 4: Determining whether an Arrangement contains a Lease
• IC Interpretation 12: Service Concession Agreements
• IC Interpretation 16: FRS 2 – Hedges of a Net Investment in a Foreign Operation
• IC Interpretation 17: Distribution of Non-cash Assets to Owners
• IC Interpretation 18: Transfers of Assets from Customers
• Improvements to FRSs issued in 2010

The revised FRSs, amendments to FRS and Interpretations above do not have significant impact on the financial statements and the accounting policies of the Group and the Company except for those discussed below:

FRS 3 Business Combinations and FRS 127 Consolidated and Separate Financial Statements (Revised)
The adoption of the two revised standards affects the way in which the Group accounts for business combinations and the preparation of its consolidated financial statements. The revised FRS 127 requires that changes in ownership interest which do not result in a loss of control be accounted for as equity transactions, instead of in the profit or loss. Where changes in ownership interest results in loss of control, any remaining interest in the entity is remeasured at fair value and any resulting gains or losses is recognised in the profit or loss. Total comprehensive income will be proportionately allocated to non-controlling interests, even if it results in the non-controlling interests being in a deficit position.

Under the revised FRS 3, all acquisition-related costs are recognised as an expense in the profit or loss in the period in which they are incurred. All considerations transferred, including contingent considerations, are measured at fair value as at the acquisition date. Any equity interests held prior to the date control is obtained is remeasured at fair value, with the resulting gains or losses recognised in the profit or loss. There is now an option on a case to case basis to measure non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the net identifiable assets of the assets acquired. Goodwill arising from the business combination is measured as the difference between the aggregate fair value of consideration transferred, any non-controlling interests in the acquiree and the fair value at acquisition date of any previously held equity interest in the acquiree, and the fair value of identifiable assets acquired and liabilities assumed (including contingent liabilities) at acquisition date.

The revised FRS 3 had clarified that the amendments to FRS 7, FRS 132 and FRS 139 that eliminate that exemption for contingent consideration, do not apply to contingent consideration that arose from business combination whose acquisition dates precede the application of FRS 3 (2010). Those contingent consideration arrangements are to be accounted for in accordance with the guidance in FRS 3 (2005).

The revised FRS 3 and FRS 127 apply prospectively to acquisitions occurring on or after 1 April 2011, and therefore had no financial impact on the financial statements of the Group and of the Company as there were no new business combinations during the financial year.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

Amendments to FRS 7 Improving Disclosures about Financial Instruments
Disclosures on fair value and liquidity have been enhanced upon the adoption of this amendment. In particular, financial instruments measured at fair value are disclosed by class in a three-level fair value measurement hierarchy, with specific disclosures related to transfers between levels in the hierarchy and detailed disclosures on level three of the fair value hierarchy. Certain disclosures on liquidity are also modified. The adoption of this amendment resulted in additional disclosures in the financial statements but did not have any financial impact on the Group and of the Company.

Amendments to FRS 132 Financial Instruments: Presentation – Classification of Rights Issues
For rights issues which are denominated in a currency other than the functional currency of the issuer, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. The application of this amendment did not have any financial impact on the Group and of the Company as there were no rights issues in foreign currency made during the financial year.

Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
This amendment provided clarification that IC Interpretation 9 does not apply to embedded derivatives, and did not have any financial impact on the Group and of the Company as there were no such embedded derivatives acquired during the financial year.

IC Interpretation 4 Determining Whether an Arrangement Contains a Lease
This amendment clarifies that when the fulfillment of an arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, then the arrangement should be accounted for as a lease under FRS 117, even though it does not take the legal form of a lease. This interpretation did not have any financial impact on the Group and of the Company.

IC Interpretation 12 Service Concession Arrangements
IC Interpretation 12 - Service Concession Arrangements ("IC12") is effective from 1 July 2010. The change in accounting method was applied restropectively in accordance with FRS 108 on changes in accounting method. As such, the Group consolidated financial statements for the financial year ended 31 March 2012 were adjusted for the retrospective application of IC 12.

A substantial portion of the Group's assets is used within the framework of concession granted by certain governing bodies, State Government and Government ("grantors") on full privatisation. The characteristics of these contracts vary significantly depending on the country and activity concerned.

IC 12 is applicable to concession arrangements comprising a public service obligation and satisfying all of the following criteria:

(i) the concession grantor controls or regulates the services to be provided by the operator using the asset, the infrastructure, the beneficiaries of the services and prices applied;

(ii) the grantor controls the significant residual interest in the infrastructure at the end of the term of the arrangement.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

IC Interpretation 12 Service Concession Arrangements (cont'd)

Pursuant to IC 12, such infrastructures are not recognised in assets of the operator as property, plant and equipment but in financial assets ("financial asset model") and/or intangible assets ("intangible asset model") depending on the remuneration commitments given by the grantor.

Financial asset model
The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor. In the case of concession services, the operator has such an unconditional right if the grantor contractually guarantees the payment of:

(i) amounts specified or determined in the contract or

(ii) the shortfall, if any, between amounts received from users of the public service and amounts specified or determined in the contract.

Financial assets resulting from the application of IC 12 are recorded in the Statements of Financial Position under the heading of "Operating financial assets" and recognised at amortised cost.

Pursuant to FRS 139, an impairment loss is recognised if the carrying amount of these assets exceeds the recoverable amount, as estimated during impairment tests. Fair value is estimated based on the recoverable amount, calculated by discounting future cash flows (value in use method).

Revenue associated with this financial model includes:

(i) Revenue determined on a percentage of completion basis in the case of construction operating financial assets (in accordance with FRS 111);

(ii) Service remuneration (in accordance with FRS 118).

Intangible asset model
The intangible asset model applies where the operator is paid by the users or where the concession grantor has not provided a contractual guarantee in respect of the recoverable amount. The intangible asset corresponds to the right granted by the concession grantor to the operator to charge users of the public service.

Intangible assets resulting from the application of IC 12 are recorded in the Statements of Financial Position under the heading of "Service concession assets" and are amortised on the water revenue method over the concession period.

Under the intangible asset model, revenue includes:

(i) Revenue recorded on a percentage of completion basis, in the case of construction operating financial assets (in accordance with FRS 111);

(ii) Service remuneration (in accordance with FRS 118).

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

IC Interpretation 12 Service Concession Arrangements (cont'd)

The following shows the impact of adoption of IC Interpretation 12 to the Group's financial statements for the financial year ended 31 March 2011 and 2010:

	INCREASE/(DECREASE)	
	2011	**2010**
GROUP	**RM**	**RM**
Statements of financial position		
Property, plant and equipment	(123,422,881)	(143,254,611)
Operating financial assets	126,586,984	146,390,328
Provision for taxation	1	-
Deferred tax liabilities	951,216	940,153
Statements of comprehensive income		
Revenue	(32,284,424)	(33,817,344)
Other income	17,535,312	20,703,478
Administrative expenses	(14,894,307)	(14,973,070)
Profit before taxation	145,195	1,862,935
Taxation	43,704	708,441
Profit after taxation	101,491	1,154,494

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

The amendments mainly provide guidance, clarify wordings and remove inconsistencies in existing FRSs. These amendments have extended some of the disclosure requirements under FRS 7, such as the quantification of the extent to which collateral and other credit enhancements mitigate credit risk; and removes certain disclosure requirements such as the carrying amount of renegotiated assets. These changes are only presentational in nature and did not have any financial impact on the Group and of the Company.

Standards issued but not yet effective

At the date of authorisation of these financial statements, the following FRSs, amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group and the Company.

Effective for financial periods beginning on or after 1 July 2011:
• Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
• IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments

Effective for financial periods beginning on or after 1 January 2012:
• FRS 124: Related Party Disclosures (Revised)
• Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
• Amendments to FRS 7: Disclosures - Transfers of financial Assets
• Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

Standards issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 July 2012:
- Amendments to FRS 101: Presentation of Items of Other Comprehensive Income
- Amendments to FRS 112: Income Taxes – Deferred Tax: Recovery of Underlying Assets

Effective for financial periods beginning on or after 1 January 2013:
- FRS 9: Financial Instruments (2009)
- FRS 9: Financial Instruments (2010)
- FRS 10: Consolidated Financial Statements
- FRS 11: Joint Arrangements
- FRS 12: Disclosure of Interests in Other Entities
- FRS 13: Fair Value Measurement
- FRS 119: Employee Benefits (2011)
- FRS 127: Separate Financial Statements (2011)
- FRS 128: Investment in Associates and Joint Ventures (2011)
- IC Interpretation 20: Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards – Government Loans

Effective for annual periods beginning on or after 1 January 2014:
- Amendments to FRS 132: Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

Effective for annual periods beginning on or after 1 January 2015:
- FRS 9: Financial Instruments (2009)
- FRS 9: Financial Instruments (2010)
- Amendments to FRS 7: Financial Instruments: Disclosures – Mandatory Date of FRS 9 and Transition Disclosures

The material impact for the adoption of the FRSs, amendments to FRSs and Interpretations above on the financial statements in the period of initial application are currently still being assessed by the Group and the Company due to the complexity of these new FRSs and their proposed changes. A brief discussion of the significant new FRSs that have been issued is set out below:

FRS 9 Financial Instruments (2009)
The International Accounting Standards Board ("IASB") intends to replace IAS 39 with International Financial Reporting Standard ("IFRS") 9. FRS 9 is the IFRS 9 equivalent standard in Malaysia. This issuance of FRS 9 contains the accounting policy changes under the first phase of the IAS 39 replacement project, and specifies how an entity should classify and measure financial assets. This standard requires all financial assets to be classified based on an entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are to be initially measured at fair value. Subsequent to initial recognition, depending on the business model under which these assets are acquired, they will be measured at either fair value or amortised cost.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

FRS 9 Financial Instruments (2010)
This issuance of FRS 9 represents the second part of the first phase of IASB's IAS 39 replacement project. This section of the standard specifies the requirements for the classification and measurement of financial liabilities, which are generally similar to the requirements of the original IAS 39. However, this standard requires that for financial liabilities designated as at fair value through profit or loss, changes in fair value attributable to the credit risk of that liability are to be presented in other comprehensive income, whereas the remaining amount of the change in fair value will be presented in the profit or loss.

FRS 10 Consolidated Financial Statements
Upon adoption, FRS 10 supercedes FRS 127 Consolidated and Separate Financial Statements. FRS 10 brings about convergence between FRS 127 and SIC-12, which interprets the requirements of FRS 10 in relation to special purpose entities. A major feature of FRS 10 is where it sets out the requirements on how to apply the control principle in the preparation of consolidated financial statements, especially in circumstances where the investor holds less than the majority of voting power, or where the investee entity is designed in such a manner where voting rights are not the dominant factor in determining control, or in circumstances involving agency relationships, or where the investor has control over specific assets of the entity.

FRS 11 Joint Arrangements
Upon adoption, FRS 11 supercedes FRS 131 Interests in Joint Ventures. Under FRS 11, an entity accounts for its interest in a jointly controlled entity based on the type of joint arrangement, as determined based on an assessment of its rights and obligations arising from the arrangement.

FRS 12 Disclosure of Interests in Other Entities
This is a combined disclosure standard for interests in subsidiary companies, joint ventures, associated companies and unconsolidated structured entities. The disclosure requirements in this FRS are aimed at providing standardised and comparable information that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows.

FRS 13 Fair Value Measurement
This standard defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. The definition of fair value under this standard emphasises the principle that fair value is a market-based measurement, not an entity specific measurement.

FRS 119 Employee Benefits (2011)
This revised FRS 119 affects the accounting treatment of certain items such as the timing of the recognition of certain gains and losses arising from defined benefit plans and the presentation of changes in defined benefit liability or asset. Under the revised FRS 119, actuarial gains and losses (renamed as 'remeasurements') are recognised immediately in other comprehensive income, and are not subsequently recycled to the profit or loss. The corridor approach for accounting for unrecognised actuarial gains is removed. Past service costs, whether unvested or already vested, are recognised immediately in the profit or loss as incurred and the annual defined benefit costs in the profit or loss will include net interest expense/income on the defined benefit asset/liability.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

FRS 124 Related Party Disclosures (Revised)

The revisions to this standard simplify the definition of a related party, clarifies its intended meaning and eliminates inconsistencies from the definition and gives partial exemption from disclosure for government-related entities. These changes affect disclosures in the financial statements.

FRS 127 Separate Financial Statements (2011)

Upon the issuance and adoption of FRS 10, the accounting requirements relating to the preparation of consolidated financial statements are no longer covered under FRS 127. Therefore, FRS 127 has now been reissued to only cover the requirements relating to the accounting for investments in subsidiary companies, associated companies and joint ventures in the separate financial statements of the entity. In such cases, the entity should account for such investments either at cost, or in accordance with FRS 9.

FRS 128 Investment in Associates and Joint Ventures (2011)

This revised FRS 128 incorporates the requirements for accounting for joint ventures into the same accounting standard as that for accounting for investments in associated companies, as the IASB was of the view that the equity method was applicable for both investments in joint ventures and associated companies. However, the revised FRS 128 exempts the investor from applying equity accounting in certain circumstances, ie. where the investment in the associated company or joint venture is held indirectly via venture capital organisations or mutual funds and similar entities. In such cases, the entity shall measure the investment at fair value through profit or loss, in accordance with FRS 9.

Amendments to FRS 112: Income Taxes – Deferred Tax: Recovery of Underlying Assets

This amendment to FRS 112 addresses the measurement approach for deferred tax assets and liabilities in respect of investment properties which are measured using the fair value approach. The amendment introduces a rebuttable presumption that the investment property is recovered entirely through sale. In such cases, deferred tax assets or liabilities are provided at tax rates applicable when recovering the property entirely through sale. If this presumption is rebutted, deferred tax assets or liabilities are provided based on tax rates applicable when consuming substantially the economic benefits embodied in the property over a period of time (eg. via rental income). The adoption of this amendment to FRS 112 did not have any financial impact on the Group and the Company.The Directors expect that the adoption of the other standards, amendments and interpretations above will have no material impact on the financial statements in the period of initial application.

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 and IC Interpretation 15 Agreements for Construction of Real Estate, including its parent, significant investor and venturer.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of preparation (cont'd)

Changes in accounting policies and Effects Arising from adoption of New and Revised FRSs (cont'd)

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

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 31 March 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of the MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained losses.

The Group and the Company is currently in the process of determining the impact arising from the adoption of the MFRS Framework.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standard and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed these financial statements for the financial year ended 31 March 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2014.

(b) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiary companies are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiary companies are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, Consolidated and Separate Financial Statements (revised) where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. The change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per ordinary share.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Basis of consolidation (cont'd)

(ii) Non-controlling interests (cont'd)

In the previous years, where losses applicable to the non-controlling interests exceed the non-controlling's interest in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests were charged against the Group's interest except to the extent that the non-controlling interest had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

(iii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised losses are eliminated only to the extent that there is no evidence of impairment.

(iv) Associated companies

Associated companies are entities, including unincorporated entities, in which the Group exercises significant influence but not control, through participation in the financial and operating policy decision of the companies.

Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on the audited or management financial statements of the associated companies unless it is classified as held for sale. Under the equity method of accounting, the Group's share of profits less losses of the associated companies during the financial year is included in the statements of comprehensive income, from the date that significant influence commences until the date that significant influence ceases. The Group's interest in the associated companies is carried in the consolidated statement of financial position at cost plus the Group's share of post-acquisition accumulated profits or accumulated losses and other reserves.

When the Group's share of losses exceeds its interest in an equity associate, the carrying amount of that interest (including any long term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated unless cost cannot be recovered.

(c) Property, plant and equipment and depreciation

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Property, plant and equipment and depreciation (cont'd)

(i) Recognition and measurement (cont'd)

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised within "realised gains and losses" in the financial statement.

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in the financial statements as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Freehold land is not depreciated. Other property, plant and equipment are depreciated on the straight-line method at rates based on their estimated useful lives. The principal annual rates used are as follows:

	Rate
Plant and machinery	20%
Motor vehicle	20%
Furniture, fittings, equipment and renovation	10% - 25%

Long term leasehold land and buildings are amortised evenly over their lease period of 92 years.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate at the end of the reporting period.

(d) Properties development activities

(i) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at a revalued amount it continues to retain this amount as its surrogate cost as allowed by FRS 201_{2004}. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Property, plant and equipment and depreciation (cont'd)

(i) Land held for property development (cont'd)

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the Group's normal operating cycle.

(ii) Property development costs

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities.

When the financial outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised in the profit or loss by using the stage of completion method. The stage of completion is measured by reference to the proportion that property development costs incurred for the work performed to date which bear to the estimated total costs for the property development.

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

Irrespective of whether the outcome of a property development activity can be estimated reliably, when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue, the expected loss is recognised as an expense immediately.

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

Where revenue recognised in the profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the profit or loss, the balance is shown as progress billings under payables (within current liabilities).

(e) Investment properties

Investment properties are properties which are held to earn rental income or for capital appreciation or both. Property that is occupied by the Group for the conduct of business operations is accounted for as owner-occupied rather than as an investment property.

The Group has adopted the cost method in measuring investment properties. Investment properties are measured initially at its cost, including transaction cost. Subsequent to initial recognition, all properties are stated at cost less accumulated amortisation and impairment losses.

No depreciation is provided for freehold land. Freehold building is depreciated at the annual rate of 2%.

Long term leasehold land and building are amortised evenly over the period ranging from 50 to 97 years.

On disposal of such properties, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Construction contracts

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

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

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

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

(g) Investment in subsidiary companies and associated companies

Investments in subsidiary companies and associated companies are stated at cost less impairment losses. The policy for recognition and measurement of impairment losses is in accordance with Note 2 (m).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(h) Other investments

Other investments held on a long term basis are stated at cost less impairment losses is made where, in the opinion of the Directors, there is a decline other than temporary in value of such investments. Where there has been a decline other than temporary in value of an investment, such a decline is recognised as expense in the period in which the decline is identified.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the profit or loss.

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of equity include the carrying amount of goodwill relating to the entity sold.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Goodwill (cont'd)

Negative goodwill represents the excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination. Negative goodwill is recognised directly in the profit or loss.

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

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

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

(j) Inventories

Raw materials, work-in-progress and finished goods are stated at the lower of cost and net realisable value. Cost is determined principally on a first-in, first-out basis (FIFO). Cost of work-in-progress and finished goods consist of direct materials, direct labour and direct overheads less foreseeable losses.

The cost of raw material comprises the original cost of purchase plus the cost of bringing the inventory to their present location and condition.

Property inventories are valued at the lower of cost and net realisable value. Cost is determined on average cost or specific identification basis. Cost of property inventories comprises the attributable costs of land and related development costs.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and short term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purposes of the statement of consolidated cash flows, cash and cash equivalents are presented net of bank overdraft.

(l) Hire purchase and leases

Finance leases
A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(l) Hire purchase and leases (cont'd)

Finance leases (cont'd)
Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum hire purchase or lease payments at the inception of the hire purchase or lease, less accumulated depreciation and impairment losses. The corresponding liability is included in the financial statements as borrowings. In calculating the present value of the minimum hire purchase or lease payments, the discount factor used is the interest rate implicit in the hire purchase or lease, when it is practicable to determine, otherwise, the Group's incremental borrowing rate is used.

Hire purchase or lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total hire purchase or leasing commitments and the fair value of the assets acquired, are charged to the financial statements over the term of the relevant hire purchase or lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for hire purchase or leased assets is consistent with that for depreciable property, plant and equipment as described in Note 2 (c).

(m) 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 except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Financial assets

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

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

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

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

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

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

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

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

(ii) Loans and receivables

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

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

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

(iii) Held-to-maturity investments

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Financial assets

(iii) Held-to-maturity investments (cont'd)

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

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

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

(iv) Available-for-sale financial assets

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

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

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

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

(o) Impairment of financial assets

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Impairment of financial assets (cont'd)

Trade and other receivables and other financial assets carried at amortised cost (cont'd)
If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account. If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(p) Amount due from/(to) contract customers

Amount due from contract customers for construction contract is the net amount of costs incurred plus recognised profits less foreseeable losses and progress billings for all contracts in progress for which costs incurred plus recognised profits (less foreseeable losses) exceeds progress billings.

Amount due to contract customers for construction contract is the net amount of costs incurred plus recognised profits less foreseeable losses and progress billings for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less foreseeable losses).

Cost includes direct materials, labour, sub-contract sum and other related expenses.

(q) Foreign currency

(i) *Functional and presentation currency*
The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(ii) *Foreign currency transactions*
Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange difference arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translaction reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Foreign currency (cont'd)

(ii) Foreign currency transactions (cont'd)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at average exchange rates for the financial year, which approximates the exchange rates at the dates of the translations. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

The closing rates used in the translation are:

	GROUP	
	2012 RM	2011 RM
1 Papua New Guinea Kina	1.5085	1.1915
1 Chinese Renminbi	0.4866	0.4620
1 United Stated Dollar	3.0685	3.0280

(r) Provisions for liabilities

Provisions for liabilities are recognised when the Group have a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each financial statements date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(r) Provisions for liabilities (cont'd)

(i) Contingencies

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

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

(ii) 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 receivables 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 receivables fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

(s) 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.

(i) Construction contracts

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

(ii) Property development

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

(iii) Sale of goods and services

Revenue from the sale of goods and services is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer or when services are rendered.

(iv) Rental income

Rental income is recognised on the accrual basis unless collectibility is in doubt, in which case the recognition of such income is suspended.

(v) Dividend income

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

(vi) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(s) Revenue recognition (cont'd)

(vii) Supply of treated water
Revenue from sale of water is recognised when the Group has produced and delivered the treated water.

(viii) Management and Administration fee received
Administrative fee received is recognised based on monthly fixed fee and recognised when earned over the term of the concession.

(t) Borrowing costs

Borrowing costs are capitalised as part of the development expenditure and work in progress which is probable that they will result in future economic benefits to the Group and to the Company and the costs can be measured reliably. Capitalisation of borrowing costs will cease when substantially all the activities necessary to prepare the assets for its intended use or sale are completed.

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

(u) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the financial periods in which there are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(v) Treasury shares

The Company shares repurchased and held are designated as treasury shares. These shares are treated as unissued shares and presented as a reduction from shareholders' equity, at cost. Should such shares be cancelled, their nominal amounts will be eliminated and the differences between their cost and nominal amounts will be taken to reserves as appropriate.

(w) Income tax

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

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases used in the computation of taxable profit.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(w) Income tax (cont'd)

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on the tax rates that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

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

(x) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred.

(iii) Termination benefits

The Group pays termination benefits in cases of termination of employment within the framework of a restructuring. Termination benefits are recognised as a liability and an expense which the Group has a detailed formal plan for the termination and is without realistic possible of withdrawal.

(y) Financial liabilities

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(y) Financial liabilities (cont'd)

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 either financial liabilities at fair value through profit or loss or other financial liabilities.

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

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

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

(ii) *Other financial liabilities*
The Group's and the Company's other financial liabilities include trade payables, other payables, amount due to subsidiaries companies, amount due to Directors, debentures, term loans, bank overdraft, revolving credit, hire purchase payables and amount due to subsidiary companies.

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

Term loans, bank overdraft, revolving credit and hire purchase payables 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.

(z) Operating financial assets

The Group constructs or upgrade infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in public-to-private service concession arrangement for its entire concession period.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(z) Operating financial assets (cont'd)

The financial asset model is used when the Group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortised cost. The amount initially recognised plus the interest income on that amount is calculated using the effective interest method.

Any asset carried under concession arrangement is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

(aa) Segment reporting

For management purposes, the Group is organised into operating segments based on their business segment and geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 40, including the factors used to identify the reportable segments and the measurement basis of segment information.

(ab) Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(ac) 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.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Critical Judgement Made in Applying Accounting Policies

There was no critical judgement made by management in the process of applying the Group's accounting policies that has the most significant effect on the amounts recognised in the financial statements during the current financial year.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(b) Key Sources of Estimation Uncertainty

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

Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Property development revenue recognition

When the financial outcome of the development activity can be estimated reliably and the sale of the development unit is affected, the Group recognises property development profits and costs by reference to the stage of completion of the development activity at the reporting date. The stage of completion is determined based on the proportion that the property development costs incurred to-date bear to the estimated total costs for the property development.

When the financial outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that is probably will be recovered and the property development costs on the development units sold are recognised when incurred.

Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development costs, the expected loss is recognised as an expense in the period in which the loss is identified.

Significant judgement is required in determining the stage of completion, the extent of the costs incurred and the estimated total revenue and costs, as well as recoverability of the property development projects. In making the judgement, the Group and the Company evaluates based on past experience, external economic factors, by relying on the work/opinion of specialists and continuous monitoring mechanism.

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

Details of the property development costs are disclosed in Note 13.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

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

Recognition of construction contracts profits

The Group recognises contract profits based on the percentage of completion method. The stage of completion of a construction contract is determined based on the proportion that the contract costs incurred for work performed to-date bear to the estimated total costs for the contract. When it is probable that the estimated total contract costs of a contract will exceed the total contract revenue of the contract, the expected loss on the contract is recognised as an expense immediately.

Significant judgement is required in the estimation of total contract costs. Where the actual total contract costs is different from the estimated total contract costs, such difference will impact the contract profits/(losses) recognised.

The Group has estimated total contract revenue based on the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably based on the latest available information, and in the absence of such, the Directors' best estimates derived from reasonable assumptions, experience and judgement.

Where the actual approved variations and claims differ from the estimates, such difference will impact the contract profits/(losses) recognised.

Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the financial year in which such determination is made.

Impairment of loans and receivables

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the receivable 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 Company's loans and receivables at the reporting date is disclosed in Notes 12 and 15.

4. PROPERTY PLANT & EQUIPMENT

GROUP COST	Balance at 01.04.2011 RM	Additions RM	Adjustment RM	Exchange difference RM	Disposals/ Written off RM	Balance at 31.03.2012 RM
Freehold land and rubber plantation	16,266	-	-	-	-	16,266
Leasehold land and buildings	923,825	120,187	-	-	-	1,044,012
Plant and machinery	13,775,570	-	-	55,875	-	13,831,445
Motor vehicle	6,331,737	535,841	-	138,550	(921,313)	6,084,815
*Furniture, fittings, equipment and renovation	2,011,412	116,618	-	79,336	(212,472)	1,994,894
	23,058,810	772,646	-	273,761	(1,133,785)	22,971,432

ACCUMULATED DEPRECIATION	Balance at 01.04.2011 RM	Charge for the year RM	Adjustment RM	Exchange difference RM	Disposals/ Written off RM	Balance at 31.03.2012 RM
Freehold land and rubber plantation	-	-	-	-	-	-
Leasehold land and buildings	62,383	14,555	-	10,313	-	87,251
Plant and machinery	13,775,541	-	-	55,875	-	13,831,416
Motor vehicle	5,456,376	339,464	-	136,948	(921,307)	5,011,481
*Furniture, fittings, equipment and renovation	1,696,872	115,361	-	65,929	(212,117)	1,666,045
	20,991,172	469,380	-	269,065	(1,133,424)	20,596,193

COST Restated	Balance at 01.04.2010 RM	Additions RM	Adjustment RM	Exchange difference RM	Disposals/ Written off RM	Balance at 31.03.2011 RM
Freehold land and rubber plantation	16,266	-	-	-	-	16,266
Leasehold land and buildings	956,737	-	-	(32,912)	-	923,825
Plant and machinery	13,196,096	-	-	579,474	-	13,775,570
Motor vehicle	6,173,108	449,123	179,133	75,973	(545,600)	6,331,737
*Furniture, fittings, equipment and renovation	2,121,867	128,355	-	(18,591)	(220,219)	2,011,412
	22,464,074	577,478	179,133	603,944	(765,819)	23,058,810

4. PROPERTY PLANT & EQUIPMENT (cont'd)

ACCUMULATED DEPRECIATION Restated	Balance at 01.04.2010 RM	Charge for the year RM	Adjustment RM	Exchange difference RM	Disposals/ Written off RM	Balance at 31.03.2011 RM
Freehold land and rubber plantation	-	-	-	-	-	-
Leasehold land and buildings	50,339	14,047	-	(2,003)	-	62,383
Plant and machinery	13,152,344	3,749	-	619,448	-	13,775,541
Motor vehicle	5,333,028	278,204	179,130	111,417	(445,403)	5,456,376
*Furniture, fittings, equipment and renovation	1,896,053	111,584	-	(91,912)	(218,853)	1,696,872
	20,431,764	407,584	179,130	636,950	(664,256)	20,991,172

NET BOOK VALUE	2012 RM	2011 RM Restated
Freehold land and rubber plantation	16,266	16,266
Leasehold land and buildings	956,761	861,442
Plant and machinery	29	29
Motor vehicle	1,073,334	875,361
*Furniture, fittings, equipment and renovation	328,849	314,540
	2,375,239	2,067,638

COMPANY COST	Balance at 01.04.2011 RM	Additions RM	Disposals RM	Balance at 31.03.2012 RM
Plant and machinery	6,478,719	-	-	6,478,719
Motor vehicle	4,326,983	398,304	(711,873)	4,013,414
*Furniture, fittings, equipment and renovation	935,986	45,302	(38,093)	943,195
	11,741,688	443,606	(749,966)	11,435,328

ACCUMULATED DEPRECIATION	Balance at 01.04.2011 RM	Charge for the year RM	Disposals RM	Balance at 31.03.2012 RM
Plant and machinery	6,478,697	-	-	6,478,697
Motor vehicle	3,554,021	272,686	(711,868)	3,114,839
*Furniture, fittings, equipment and renovation	825,470	45,563	(38,007)	833,026
	10,858,188	318,249	(749,875)	10,426,562

4. PROPERTY PLANT & EQUIPMENT (cont'd)

COST	Balance at 01.04.2010 RM	Additions RM	Disposals RM	Balance at 31.03.2011 RM
Plant and machinery	6,478,719	-	-	6,478,719
Motor vehicle	4,386,840	402,588	(462,445)	4,326,983
*Furniture, fittings, equipment and renovation	1,080,000	31,135	(175,149)	935,986
	11,945,559	433,723	(637,594)	11,741,688

ACCUMULATED DEPRECIATION	Balance at 01.04.2010 RM	Charge for the year RM	Disposals RM	Balance at 31.03.2011 RM
Plant and machinery	6,474,948	3,749	-	6,478,697
Motor vehicle	3,696,377	219,893	(362,249)	3,554,021
*Furniture, fittings, equipment and renovation	951,634	47,633	(173,797)	825,470
	11,122,959	271,275	(536,046)	10,858,188

NET BOOK VALUE	2012 RM	2011 RM
Plant and machinery	22	22
Motor vehicle	898,575	772,962
*Furniture, fittings, equipment and renovation	110,169	110,516
	1,008,766	883,500

* Consist of office equipment, site equipment, renovation, furniture and fittings, air conditioners, signboard and electrical installation.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Depreciation charge for the financial year				
- Amount due from customers (Note 12)	36,326	28,137	36,326	28,137
- Profit before taxation (Note 32)	433,054	379,447	281,923	243,138
	469,380	407,584	318,249	271,275

Included in property, plant and equipment of the Group and of the Company are motor vehicles acquired under hire purchase arrangements at net book value of RM1,046,784 (2011 – RM803,023) and RM894,190 (2011 – RM751,395) respectively (Note 23).

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

Included in property, plant and equipment of the Group and of the Company are the costs of the following fully depreciated assets which are still in use:

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Plant and machinery	13,636,180	13,775,570	6,478,719	6,478,719
Motor vehicle	4,364,513	5,149,984	2,660,899	3,372,771
*Furniture, fittings, equipment and renovation	1,555,575	1,674,278	713,322	745,721
	19,556,268	20,599,832	9,852,940	10,597,211

5. OPERATING FINANCIAL ASSETS

The Group has concession arrangements with the various governing bodies or agencies of the government of the Papua New Guinea (the "grantor") to operate water treatment plants. Under the concession agreement, the Group will construct and operate the plants and water distribution networks for Concession Period of 22 years and transfer the plants to the grantor at the end of the Concession Period. Such concession arrangements fall within the scope of IC Interpretation 12, Service Concession Arrangements. Under IC Interpretation 12, the revenue is recognised based on Note 2(s)(vii) and Note 2(s)(viii).

6. LAND HELD FOR PROPERTY DEVELOPMENT

	GROUP 2012 RM	GROUP 2011 RM
Cost		
At 1 April		
Freehold land	52,308,142	40,431,942
Development cost	13,008,129	12,523,822
	65,316,271	52,955,764
Cost incurred during the financial year:		
Freehold land	18,674,505	11,876,200
Leasehold land	124,209,668	-
Development costs	3,632,086	858,816
	146,516,259	12,735,016
Disposal during the financial year		
Freehold land	(11,876,200)	-
Transfer to profit or loss	-	(374,509)
	134,640,059	12,360,507
	199,956,330	65,316,271

Included in land held for property development of the Group is interest expense capitalised of RM1,992,985 (2011 - RM731,342).

7. INVESTMENT PROPERTIES

Investment properties consist of the following:

GROUP COST/DEEMED COST	Balance at 01.04.2011 RM	Additions RM	Disposals RM	Balance at 31.03.2012 RM
Freehold land	40,709	-	-	40,709
Long term leasehold land	44,723,270	-	(5,922,067)	38,801,203
Buildings	91,103,659	535,949	-	91,639,608
Development costs	176,771	-	(42,719)	134,052
	136,044,409	535,949	(5,964,786)	130,615,572

ACCUMULATED DEPRECIATION	Balance at 01.04.2011 RM	Charge for the year RM	Disposals RM	Balance at 31.03.2012 RM
Freehold land	-	-	-	-
Long term leasehold land	3,078,026	422,316	-	3,500,342
Buildings	4,853,925	2,052,035	-	6,905,960
Development costs	-	-	-	-
	7,931,951	2,474,351	-	10,406,302

COST/DEEMED COST	Balance at 01.04.2010 RM	Additions RM	Disposals RM	Balance at 31.03.2011 RM
Freehold land	40,709	-	-	40,709
Long term leasehold land	38,801,205	5,922,065	-	44,723,270
Buildings	90,493,902	609,757	-	91,103,659
Development costs	124,102	52,669	-	176,771
	129,459,918	6,584,491	-	136,044,409

ACCUMULATED DEPRECIATION	Balance at 01.04.2010 RM	Charge for the year RM	Reclassification RM	Balance at 31.03.2011 RM
Freehold land	-	-	-	-
Long term leasehold land	3,870,978	422,316	(1,215,268)	3,078,026
Buildings	2,121,783	1,516,874	1,215,268	4,853,925
Development costs -	-	-	-	
	5,992,761	1,939,190	-	7,931,951

7. INVESTMENT PROPERTIES (cont'd)

NET CARRYING AMOUNT	2012 RM	2011 RM
Freehold land	40,709	40,709
Long term leasehold land	35,300,861	41,645,244
Buildings	84,733,648	86,249,734
Development costs	134,052	176,771
	120,209,270	128,112,458

The net carrying amount of a long term leasehold land and a building of subsidiary company amounting to RM22,004,894 (2011 - RM22,268,953) and RM94,905,514 (2011 - RM85,887,011) respectively are pledged to financial institution as collaterals for banking facilities.

A long term leasehold land of a subsidiary company was revalued on 4 October 1995 based on independent professional valuation on the resale basis to establish its fair value on the acquisition of the subsidiary company.

The revalued amount of the long term leasehold land is retained as its surrogate cost.

8. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2012 RM	2011 RM
Unquoted shares at cost	90,498,469	90,498,469
Add: additional during the year	3,750,000	-
	94,248,469	90,498,469
Less: allowance for impairment loss	(2,800,000)	(2,800,000)
	91,448,469	87,698,469

Notes to the Financial Statements
for the year ended 31 March 2012 (cont'd)

8. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

Details of the subsidiary companies are as follows:

Name of Companies	% of Equity Held 2012	% of Equity Held 2011	Country of Incorporation	Principal activities
Direct				
Brem Construction Sdn. Bhd. #	100.00	100.00	Malaysia	Civil engineering and general construction
Brem Aluminium & Glass Sdn. Bhd. #	100.00	100.00	Malaysia	Dormant
Brem Maju Sdn. Bhd. #	50.25	50.25	Malaysia	Civil engineering and general construction
Brem Zhuhai Investment Ltd #	100.00	100.00	The People's Republic of China	Currently dormant and its intended principal activities are investment holding and construction management consultancy
Brem Oversea Investments Pte Ltd #	70.00	70.00	Hong Kong	Dormant
Cosmo-One Realty Sdn. Bhd. #	100.00	100.00	Malaysia	Property investment
Global Water Sdn. Bhd.	100.00	100.00	Malaysia	Investment holding
Harmony Property Sdn. Bhd.	75.00	75.00	Malaysia	Property development
Intan Kemuncak Sdn. Bhd. #	100.00	100.00	Malaysia	Dormant
Naga Istimewa Sdn. Bhd.	100.00	100.00	Malaysia	Property development, contractor and investment holding
Titi Kaya Sdn. Bhd. #	50.53	50.53	Malaysia	Property development
Indirect through Titi Kaya Sdn. Bhd.				
Eng Ann Realty Co. (Klang) Sdn. Bhd. #	50.53	50.53	Malaysia	Property development and investment holding
Wonderful Perfection Sdn. Bhd. #	30.32	30.32	Malaysia	Property development
NPO Builders Sdn. Bhd. #	25.77	25.77	Malaysia	Property development
Indirect through Global Water Sdn. Bhd.				
PNG Water Limited #	51.00	51.00	Papua New Guinea	Water concession
Indirect through Brem Maju Sdn. Bhd.				
Brem Maju (PNG) Limited #	50.25	50.25	Papua New Guinea	Civil engineering and general construction

Not audited by STYL Associates.

9. INVESTMENT IN ASSOCIATED COMPANIES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
At cost				
Unquoted shares	2,660,446	2,660,446	1,460,446	1,460,446
Quoted shares in Malaysia	60,293,541	60,293,541	60,293,541	60,293,541
Share of post acquisition profits	5,613,358	836,916	-	-
Share of capital reserve	3,884,536	3,884,536	-	-
	72,451,881	67,675,439	61,753,987	61,753,987
Less: allowance for impairment loss	(5,653,987)	(10,678,541)	(5,653,987)	(12,113,987)
	66,797,894	56,996,898	56,100,000	49,640,000
At market value				
Quoted shares in Malaysia	56,100,000	44,014,285	56,100,000	44,014,285
Represented by:				
Share of net assets other than goodwill	57,394,644	52,618,202		
Goodwill on acquisition	15,057,237	15,057,237		
	72,451,881	67,675,439		
Less: allowance for impairment loss	(5,653,987)	(10,678,541)		
	66,797,894	56,996,898		

The summarised financial information of the associated companies is as follows:

	GROUP	
	2012 RM	2011 RM
Assets and liabilities		
Total assets	226,611,248	213,047,361
Total liabilities	55,420,320	53,544,251
Results		
Revenue	72,946,240	74,068,149
Profit for the financial year	13,665,385	17,868,017

9. INVESTMENT IN ASSOCIATED COMPANIES (cont'd)

The details of the associated companies are as follows:

Name of Companies	% of Equity Held 2012	2011	Country of Incorporation	Principal activities
Topaz Teguh Sdn. Bhd.	49.00	49.00	Malaysia	Operators of bowling and snooker centre
Bertam Alliance Berhad	32.89	32.89	Malaysia	Investment holding and management services
Masterloq Holdings Sdn. Bhd.	21.00	21.00	Malaysia	Dormant
Konsortium Pertamavest Sdn. Bhd.	20.00	20.00	Malaysia	Dormant

10. DEFERRED TAX ASSETS/(LIABILITIES)

GROUP Deferred tax assets	Others RM	Unrealised profit on intercompany transaction RM	Unabsorbed loss and capital allowance carried forward RM	Total RM
At 1 April 2011	2,180	2,783,299	516,914	3,302,393
Recognised in the profit or loss	-	-	(16,809)	(16,809)
Exchange difference	135,477	-	-	135,477
At 31 March 2012	137,657	2,783,299	500,105	3,421,061
At 1 April 2010	20,574	2,783,299	595,196	3,399,069
Recognised in the profit or loss	-	-	(78,282)	(78,282)
Exchange difference	(18,394)	-	-	(18,394)
At 31 March 2011	2,180	2,783,299	516,914	3,302,393

10. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

GROUP	Others RM	Revaluation surplus RM	Accelerated capital allowances RM	Total RM
Deferred tax liabilities				
At 1 April 2011	(20,664)	6,238,357	3,707,208	9,924,901
Recognised in the profit or loss	-	(60,620)	2,035,866	1,975,246
Exchange difference	815,223	-	-	815,223
At 31 March 2012	794,559	6,177,737	5,743,074	12,715,370
At 1 April 2010	64,833	6,298,977	3,226,174	9,589,984
Recognised in the profit or loss	-	(60,620)	481,034	420,414
Exchange difference	(85,497)	-	-	(85,497)
At 31 March 2011	(20,664)	6,238,357	3,707,208	9,924,901

	COMPANY 2012 RM	2011 RM
At beginning of year	4,400	3,594
Recognised in the profit or loss (Note 33)	(71,500)	806
At end of year	(67,100)	4,400

11. GOODWILL ON CONSOLIDATION

	Group 2012 RM	2011 RM
At beginning and end of year	33,257,325	33,257,325

The carrying amount of the goodwill was assessed for impairment on an annual basis. The recoverable amount of the goodwill is determined based on the assessment of the value in use. The recoverable amount was determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-years period.

12. TRADE RECEIVABLES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Non-current assets				
Contract retention	166,362	159,274	-	-
Trade receivables	421,246	385,822	-	-
	587,608	545,096	-	-
Current assets				
Contract retention	2,917,356	2,611,703	1,269,767	1,269,767
Trade receivables	35,549,668	35,385,149	20,253,878	18,507,009
Accrued billings	12,541,736	6,623,020	-	-
Amount due from contract customers	4,061,819	3,678,927	2,990,323	3,056,699
	55,070,579	48,298,799	24,513,968	22,833,475
Total trade receivables	55,658,187	48,843,895	24,513,968	22,833,475

The Group's and the Company's normal trade credit terms ranges from 14 to 105 days. Other credit terms are assessed and approved on a case-by-case basis.

Included in trade receivables of the Group is RM587,608 (2011 - RM545,096) owing by a company in which a Director of the Company, namely Khoo Chai Kaa has substantial financial interest.

The aging analysis of the Group's and of the Company's trade receivables and contract retention are as follows:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Neither past due nor impaired	-	-	2,152,855	-
1 to 30 days past due not impaired	5,950,988	9,270,699	-	-
31 to 60 days past due not impaired	339,026	659,348	-	-
61 to 90 days past due not impaired	865,686	3,067,307	-	-
91 to 120 days past due not impaired	48,688	201,174	-	-
More than 120 days past due not impaired	31,850,244	25,343,420	19,370,790	19,776,776
	39,054,632	38,541,948	21,523,645	19,776,776

<u>Receivables that are neither past due nor impaired</u>

Trade receivables and contract retention that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and the Company. More than 51% (2011 - 51%) and Nil (2011 - Nil) of the Group's trade receivables and contract retention respectively arise from customers with more than a year experience with the Group and losses have occurred infrequently.

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

12. TRADE RECEIVABLES (cont'd)

Receivables that are past due but not impaired

The Group and the Company have trade receivables and contract retention amounting to RM31,850,244 (2011 - RM25,343,420) and RM19,370,790 (2011 - RM19,776,776) respectively that are past due at the reporting date but not impaired.

The following shows the elements included in amount due from/(to) contract customers:

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
Total contract costs incurred to date	61,990,021	37,279,180	41,832,826	16,105,201
Add: attributable profits	6,166,694	3,519,692	3,679,109	225,269
	68,156,715	40,798,872	45,511,935	16,330,470
Less: progress billings	(71,335,317)	(45,120,509)	(48,163,502)	(18,885,482)
	(3,178,602)	(4,321,637)	(2,651,567)	(2,555,012)
Analysed as follows:				
Amount due from contract customers	4,061,819	3,678,927	2,990,323	3,056,699
Amount due to contract customers (Note 26)	(7,240,421)	(8,000,564)	(5,641,890)	(5,611,711)
	(3,178,602)	(4,321,637)	(2,651,567)	(2,555,012)

The following expenses incurred during the financial year are included in the contract costs:

	GROUP		**COMPANY**	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Depreciation of plant and equipment	36,326	28,137	36,326	28,137
Hire of machinery and equipment	7,430	810	2,890	810
Rental of premises	9,250	6,000	-	-
Staff costs	1,220,406	1,152,355	837,767	810,741

12. TRADE RECEIVABLES (cont'd)

The following shows the elements included in accrued billings/(progress billings) in respect of property development costs:

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Revenue recognised in the profit or loss	90,608,833	44,897,233	1,840,230	1,840,230
Less: Billings to purchasers	(78,892,416)	(39,099,532)	(2,665,549)	(2,665,549)
	11,716,417	5,797,701	(825,319)	(825,319)
Analysed as follows:				
Accrued billings	12,541,736	6,623,020	-	-
Progress billings (Note 26)	(825,319)	(825,319)	(825,319)	(825,319)
	11,716,417	5,797,701	(825,319)	(825,319)

13. PROPERTY DEVELOPMENT COSTS

	GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
At 1 April				
Freehold land	63,575,500	63,999,973	39,071,619	39,496,092
Development costs	66,600,854	37,014,404	9,080,848	8,366,126
	130,176,354	101,014,377	48,152,467	47,862,218
Cost incurred during the financial year:				
Development costs	37,525,906	29,586,450	84,858	290,249
Costs recognised in profit or loss:				
At 1 April	(32,195,736)	(1,158,607)	(1,158,607)	(1,158,607)
Recognised during the financial year	(32,554,269)	(31,037,129)	(460,145)	-
At 31 March	(64,750,005)	(32,195,736)	(1,618,752)	(1,158,607)
Transfer to inventories	(270,001)	-	-	-
Property development costs at 31 March	102,682,254	98,405,091	46,618,573	46,993,860

13. PROPERTY DEVELOPMENT COSTS (cont'd)

	GROUP	
	2012	2011
	RM	RM
Interest expenses	25,780	270,785

The freehold land under development Group and of the Company amounting to RM3,992,628 (2011 - RM3,932,550) and RM1,239,416 (2011 - RM1,033,053) at cost respectively are pledged to financial institutions as collaterals for banking facilities.

14. INVENTORIES

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
At cost:				
Raw materials	453,197	537,230	453,197	537,230
Completed properties	12,818,978	13,742,207	12,729,958	12,536,161
	13,272,175	14,279,437	13,183,155	13,073,391

15. OTHER RECEIVABLES AND DEPOSITS

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
Other receivables	9,746,829	4,441,749	540,246	1,488,200
Deposits	2,793,043	14,900,182	2,080,336	2,429,336
Prepayments	4,155	2,090	-	-
	12,544,027	19,344,021	2,620,582	3,917,536

The amount due by other receivables is unsecured, interest-free and repayable on demand.

16. AMOUNT DUE FROM SUBSIDIARY COMPANIES

	COMPANY 2012 RM	2011 RM
Cosmo-One Realty Sdn. Bhd.		
Non-trade - interest-free	-	754,052
- interest rate at 2.85% (2011: 2.85%) per annum	5,388,796	5,752,066
	5,388,796	6,506,118
Harmony Property Sdn. Bhd.		
Trade - interest-free	-	26,145,608
- interest rate at 2%(2011: 2%) above base lending rate per annum	33,059,567	-
Non-trade - interest free	-	1,294,903
- interest rate at 2.80% - 2.85% (2011: 2.80% - 2.85%)	10,511,074	4,853,126
	43,570,641	32,293,637
Titi Kaya Sdn. Bhd.		
Non-trade - interest-free	8,687	21,709
NPO Builders Sdn. Bhd.		
Trade - interest-free	-	1,781,199
- interest rate at 2% (2011: 2%) above base lending rate per annum	11,744,044	9,000,000
	11,744,044	10,781,199
Intan Kemuncak Sdn. Bhd.		
Non-trade - interest-free	-	10,175
- interest rate at Nil (2011: 2.80% - 2.85%)	-	99,181
	-	109,356
Naga Istimewa Sdn. Bhd.		
Trade - interest free	45,297,799	46,735,799
Non-trade - interest-free	-	11,071
- interest rate at Nil (2011: 2.80% - 2.85%)	-	607,760
	45,297,799	47,354,630
PNG Water Limited		
Trade - interest-free	-	241,279
Non-trade - interest-free	91,315	33,141
	91,315	274,420
Total	106,101,282	97,341,069
Trade	90,101,410	83,903,885
Non-trade	15,999,872	13,437,184
	106,101,282	97,341,069

The non-trade amount due by subsidiary companies are unsecured and repayable on demand.

The trade credit term refer to Note 12.

17. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

Deposits of RM2,618,715 (2011 - RM1,800,627) of the Group is pledged to financial institutions as security for banking facilities granted to the Group.

The interest rates of deposits and the maturities of deposits as at the end of the financial year were as follows:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Deposits with licensed banks				
Interest rates (%) per annum	1.70-3.18	2.00 - 2.75	3.15	2.00 - 2.75
Maturity months	1 - 12	1 - 24	12	12 - 15

18. CASH AND BANK BALANCES

Included in the bank balances of the Group is RM1,379,822 (2011 - RM4,713,910) which is maintained pursuant to the Housing Development (Housing Development Account) Regulations 1991.

The Housing Development Accounts, which consist of monies received from purchasers, are for the payment of property development costs incurred. The surplus monies, if any, will be released to the Group upon the completion of the property development projects and after all property development costs have been fully settled.

19. SHARE CAPITAL

	GROUP AND COMPANY			
	2012	2011	2012	2011
	Number of shares		RM	RM
Authorised:				
Ordinary shares of RM1 each	250,000,000	250,000,000	250,000,000	250,000,000
Issued and fully paid:				
Ordinary shares of RM1 each				
At beginning of year	139,616,498	139,616,498	139,616,498	139,616,498
Bonus issue on 18.11.2011	33,119,674	-	33,119,674	-
At end of year	172,736,172	139,616,498	172,736,172	139,616,498

20. RESERVES

		GROUP 2012 RM	GROUP 2011 RM	COMPANY 2012 RM	COMPANY 2011 RM
Non-distributable					
Share premium	20a	-	31,557,380	-	31,557,380
Capital reserve	20b	3,884,536	3,884,536	-	-
Exchange fluctuation reserve	20c	15,265,336	(1,674,518)	-	-
		19,149,872	33,767,398	-	31,557,380
Distributable					
Retained earnings		270,336,460	250,036,908	128,914,204	130,400,677
		289,486,332	283,804,306	128,914,204	161,958,057

20a. Share premium

	GROUP AND COMPANY 2012 RM	2011 RM
At 1 April	31,557,380	31,557,380
Bonus issue	(31,557,380)	-
At 31 March	-	31,557,380

The reserve comprise premium paid on subscription of shares in the Company over and above par value of the shares.

20b. Capital reserve

The capital reserve is in respect of the share of reserve in associated companies.

20c. Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

21. TREASURY SHARES

	GROUP AND COMPANY			
	No. of shares	2012 RM	No. of shares	2011 RM
At 1 April	6,495,100	8,040,184	3,059,400	3,659,018
Purchased during the financial year	914,700	1,273,047	3,435,700	4,381,166
Distributed to shareholders	(5,299,069)	(6,664,994)	-	-
At 31 March	2,110,731	2,648,237	6,495,100	8,040,184

During the financial year, the Company repurchased 914,700 (2011 - 3,435,700) ordinary shares of RM1 each of its issued ordinary shares from open market at an average price of RM1.39 (2011 - RM1.27) per share. The total consideration paid for the purchase including transaction costs was RM1,273,047 (2011 - RM4,381,166) and this was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965 in Malaysia. Treasury shares have no rights to vote, not entitled to dividends and participation in other distribution.

During the financial year, the Company distributed 5,299,069 ordinary shares of RM1 each of its issued ordinary shares from existing treasury shares at an average price of RM1.26 per share. The total treasury shares distributed including transaction costs was RM6,664,994.

As at 31 March 2012, the total issued and fully paid ordinary share is 172,736,172 (2011 - 139,616,498) and the treasury shares held by the Company is 2,110,731 (2011 - 6,495,100). The number of outstanding ordinary shares in issue after the set-off of the treasury shares is therefore 170,625,441 (2011 - 133,121,398) ordinary shares of RM1 each.

22. NON-CONTROLLING INTERESTS

	GROUP	
	2012 RM	2011 RM Restated
Shares and share premium in subsidiary companies		
At 1 April	20,926,194	20,926,194
Additional investment in a subsidiary company	(1,250,000)	-
At 31 March	19,676,194	20,926,194
Share of profits		
At 1 April	89,874,318	84,989,732
Effect of adopting IC Int. 12	-	1,075,825
Effect of adopting FRS139	-	(88,163)
Adjustment	60	(60)
Dividend received	-	(4,760,160)
Current year profit	10,487,343	8,657,144
At 31 March	100,361,721	89,874,318
Share of exchange fluctuation reserve	13,676,312	(2,335,973)
	133,714,227	108,464,539

23. HIRE PURCHASE PAYABLES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Minimum hire purchase payments:				
Within 1 year	274,600	177,672	218,796	151,380
More than 1 year and less than 5 years	589,276	491,036	529,846	462,154
	863,876	668,708	748,642	613,534
Less: Future finance charges	(71,929)	(67,916)	(63,597)	(63,375)
Present value of hire purchase and finance lease liabilities	791,947	600,792	685,045	550,159
Present value of hire purchase and finance lease liabilities:				
Within 1 year	238,762	148,120	188,738	124,756
More than 1 year and less than 5 years	553,185	452,672	496,307	425,403
	791,947	600,792	685,045	550,159
Analysed as:				
Due within 1 year	238,762	148,120	188,738	124,756
Due after 1 year	553,185	452,672	496,307	425,403
	791,947	600,792	685,045	550,159

The hire purchase liabilities bore interest between 2.40% to 4.00% (2011 - 2.40% to 3.90%) per annum.

24. BANK BORROWINGS

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Short Term Borrowings				
Secured:				
Term loans	2,004,000	18,579,257	-	-
Bank overdraft	6,934,214	1,438,474	-	-
Unsecured:				
Bank overdraft	7,995,263	6,310,674	3,941,734	2,629,909
Revolving credit	5,000,000	5,000,000	5,000,000	5,000,000
	21,933,477	31,328,405	8,941,734	7,629,909

24. BANK BORROWINGS (cont'd)

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Long Term Borrowings				
Secured:				
Term loans	73,799,086	29,952,511	-	-
	73,799,086	29,952,511	-	-
Total Borrowings				
Term loans	75,803,086	48,531,768	-	-
Bank overdraft	14,929,477	7,749,148	3,941,734	2,629,909
Revolving credit	5,000,000	5,000,000	5,000,000	5,000,000
	95,732,563	61,280,916	8,941,734	7,629,909

(i) *Term loans*

The secured term loans of the Group are obtained from local and foreign financial institutions. The term loans are secured as follows:

a. Local secured term loans
   (i) Legal charge on a long term leasehold land and building of a subsidiary company (Note 7);
   (ii) Debenture incorporating a fixed and floating charges for all monies owing or payable under facility over all present and future of a subsidiary company;
   (iii) Assigment of all right, title and interest derived from tenancy agreement in respect certain properties of a subsidiary company;
   (iv) Corporate guarantee of the Company and
   (v) First charge on industrial land and freehold land of a subsidiary company (Note 6).

b. Foreign secured term loans
   (i) Registered fixed and floating charge over the whole assets of foreign subsidiary companies; and
   (ii) Corporate guarantee and indemnity of the Company and a foreign subsidiary company.

The local term loans bears interest rate ranging from 0.5% to 1.75% (2011 - 1.5%) per annum above the financial institution's base lending rate and the foreign term loan interest rate is fixed at 7.8% per annum effective from 16 December 2007 until 16 December 2011, In April 2011, the Company made an extra settlement of K7M. Full settlement on the loan was made in 5 August 2011.

The local term loans are repayable in:
(i) 72 instalments after 2 years from the initial drawdown.
(ii) 12 quarterly instalments after 3 years from the initial drawdown; and
(iii) 48 instalments after 3 years from the initial drawdown.

24. BANK BORROWINGS (cont'd)

(ii) Bank overdrafts

The secured bank overdrafts of the Group and of the Company are obtained from local financial institutions and are secured as follows:

(a) Legal charges over the freehold land under development of the Group and of the Company of RM3,992,628 (2011 - RM3,932,550) and RM1,239,416 (2011 - RM1,033,053) at cost respectively; and
(b) Facility agreement and corporate guarantee of the Company.

The bank overdrafts bear interest ranging from 1.5% to 3.5% (2011 - 1.75% to 2.5%) per annum above the respective financial institutions' base lending rates.

(iii) Revolving credit

The revolving credit of the Company bears interest of 2% (2011 - 2%) per annum above respective financial institutions' cost of funds.

The revolving credit of the Company is repayable on demand.

25. DEBENTURES

	GROUP	
	2012	2011
	RM	RM
At 1 April	6,434,100	9,483,955
Redemption	-	(2,704,705)
Exchange difference	1,711,800	(345,150)
At 31 March	8,145,900	6,434,100
Repayable as follows:		
Non-current:		
After 1 year and not later than five years	-	6,434,100
Current:		
Within 1 year	8,145,900	-

PNG Water Limited, a subsidiary company of Brem Holding Berhad pursuant to a Trust Deed has issued debentures as follows:

		Number of debentures subscribed	
Date of issues	Classes of debentures	The Group	Others
15.01.2005	Class B	330,000	-
01.01.2005	Class B	430,000	-
11.10.2004	Class B	900,000	-
12.07.2004	Class B	-	600,000
01.07.2004	Class B	1,800,000	4,800,000

25. DEBENTURES (cont'd)

Date of issues	Classes of debentures	Number of debentures subscribed The Group	Others
01.07.2003	Class B	3,840,000	-
18.06.2002	Class B	4,000,000	-
10.10.2002	Class B	3,300,000	-
17.10.2000	Class B	6,130,000	2,270,000

The nominal value of each debenture (one Kina) each bearing interest of 13% per annum, payable half yearly in arrears. The debenture is unsecured and matures on 1 November 2012.

26. TRADE PAYABLES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Contract retention	2,129,648	2,129,189	1,843,027	1,514,035
Trade payables	8,135,499	4,533,166	2,400,050	1,844,737
Amount due to contract customers (Note 12)	7,240,421	8,000,564	5,641,890	5,611,711
Progress billings in respect of property development costs (Note 12)	825,319	825,319	825,319	825,319
	18,330,887	15,488,238	10,710,286	9,795,802

The normal trade credit term granted to the Groupand to the Company ranges from 30 to 90 days.

27. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Other payables	49,773,384	5,226,465	112,036	129,539
Deposits	4,848,854	3,797,592	1,000,000	-
Debenture interest	264,742	206,726	-	-
Accruals	1,961,263	1,587,409	259,914	377,845
	56,848,243	10,818,192	1,371,950	507,384

28. AMOUNT DUE TO SUBSIDIARY COMPANIES

	COMPANY	
	2012	2011
	RM	RM
Brem Construction Sdn. Bhd.		
Trade	7,309,099	7,309,099
Non-trade	6,000	6,000
	7,315,099	7,315,099
Brem Maju Sdn. Bhd.		
Trade	3,213,089	3,601,309
Non-trade	61,920	1,326,988
	3,275,009	4,928,297
Non-trade		
Brem Oversea Investments Pte. Limited	643,249	654,705
Eng Ann Realty Co. (Klang) Sdn. Bhd.	5,524,117	5,524,593
Brem Aluminium & Glass Sdn. Bhd.	31,924	31,924
Global Water Sdn. Bhd.	6,955,000	-
	13,154,290	6,211,222
Total	23,744,398	18,454,618
Trade	10,522,188	10,910,408
Non-trade	13,222,210	7,544,210
	23,744,398	18,454,618

The non-trade amount due to subsidiary companies is unsecured, interest-free and repayable on demand. The trade credit term refer to Note 26.

29. AMOUNT DUE TO DIRECTORS

The amount due to Directors is unsecured, interest-free and repayable on demand.

Included in the amount due to Directors is advances from Directors and expenses paid on behalf of the Group and of the Company by Directors of the Group and of the Company, namely Khoo Chai Kaa, Low Yew Hwa, Wong Miow Song, and John Boo (2011 - Khoo Chai Kaa, Low Yew Hwa, Wong Miow Song, Khoo Hui Keam, Khoo Hui Giok and John Boo).

30. REVENUE

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
				Restated
Contract revenue	44,460,215	19,560,504	35,265,774	13,338,174
Property development	65,804,394	52,846,175	2,788,528	3,413,922
Water supply and services rendered	23,984,918	22,451,326	-	-
Rental income	12,651,785	11,570,538	-	-
Dividend	-	-	1,760,000	5,708,000
	146,901,312	106,428,543	39,814,302	22,460,096

31. COST OF SALES

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
				Restated
Contract cost	39,814,285	13,920,517	31,834,574	10,567,495
Property development cost	46,166,209	38,310,890	1,334,334	1,507,060
Operation and maintenance charges				
- water supply and services rendered	21,891,473	19,525,941	-	-
- rental income	9,160,705	9,176,763	-	-
	117,032,672	80,934,111	33,168,908	12,074,555

32. PROFIT BEFORE TAXATION

This has been determined after charging the following items:

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
				Restated
Auditors' remuneration				
- statutory	199,560	168,966	44,400	40,000
- non-statutory	-	2,400	-	2,400
- over provision in prior year	(3,237)	-	-	-
Bad debts written off	-	-	109,356	-
Depreciation of property, plant and equipment	433,054	379,447	281,923	243,138
Depreciation of investment properties	2,474,351	1,939,190	-	-
Hire of machinery, motor vehicles and equipment	-	-	2,890	1,110

32. PROFIT BEFORE TAXATION (cont'd)

This has been determined after charging the following items: (cont'd)

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM Restated
Interest expenses	6,720,589	8,471,298	223,858	24,373
Loss on foreign exchange				
- realised	4,789	370,530	-	-
- unrealised	820,841	76,946	-	6,733
Property, plant and equipment written off	354	1,364	88	1,352
Rental of premises	1,365	245,700	96,600	95,700
Staff and labour costs	3,994,003	3,909,898	1,565,408	1,588,926
and crediting:				
Commission received	-	-	1,647,940	-
Gain on disposal of property, plant and equipment	1,846,743	78,604	172,997	69,803
Gain on foreign exchange				
- realised	1,595,787	311	51,559	-
- unrealised	19,851	-	-	-
Hire of machinery	39,795	-	-	-
Reversal of allowance for impairment of associated company	6,460,000	20,614,904	6,460,000	20,614,904
Rental income	424,835	475,625	5,000	7,000
Interest income	20,123,303	20,170,817	1,073,402	1,075,919
Management and administration fee	40,000	36,000	-	97,777

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Staff and labour costs comprises:				
Salaries, wages and bonus	3,678,150	3,587,746	1,466,605	1,489,746
Increase/(decrease) in short term	26,155	27,091	8,107	9,081
accumulating compensated absences	(9,960)	7,647	(197)	(1,515)
Pension costs - defined contribution plan	299,658	287,414	90,893	91,614
	3,994,003	3,909,898	1,565,408	1,588,926
Included in staff and labour costs is:				
Directors' remuneration				
- fees - current financial year	110,500	106,420	70,000	70,000
- fees - over provision in previous financial year	-	(75,000)	-	(75,000)
- salaries, bonus and other emoluments	1,036,333	1,027,810	598,225	658,640
- pension costs - defined contribution plan	58,736	61,824	20,042	25,248
	1,205,569	1,121,054	688,267	678,888

33. TAXATION

The provision for taxation for the financial year is computed at the prevailing tax rates.

	GROUP		COMPANY	
	2012	2011	2012	2011
	RM	RM	RM	RM
Provision of taxation for the financial year				
- Malaysian	5,825,412	4,539,027	1,313,000	900,000
- Foreign	4,992,852	4,106,598	-	-
Foreign withholding tax	20,017	16,792	-	-
Crystallisation of deferred tax resulting from revaluation of property	(60,620)	(60,620)	-	-
Deferred tax expense relating to origination and reversal of temporary differences	728,880	556,847	71,500	(806)
Real property gain tax	176,091	-	-	-
	11,682,632	9,158,644	1,384,500	899,194
Overprovision of income tax in prior financial years	(300,957)	(149,309)	(163,470)	(150,516)
	11,381,675	9,009,335	1,221,030	748,678
Share of taxation in associated companies	1,830,797	708,183	-	-
	13,212,472	9,717,518	1,221,030	748,678

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

33. TAXATION (cont'd)

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

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Profit before taxation and share of results of associated companies	51,431,316	55,982,295	13,018,299	29,620,881
Share of results of associated companies	5,851,793	5,693,778	-	-
	57,283,109	61,676,073	13,018,299	29,620,881
Taxation at Malaysian statutory tax rate	14,320,777	13,995,574	3,254,575	7,405,220
Tax effects in respect of:				
Different tax rates in other country	836,072	713,848	-	-
Depreciation for non qualifying property, plant and equipment	503,793	509,352	-	31,877
Non allowable expenses	124,901	256,023	262,336	38,743
Amortisation on non qualifying investment property	39,585	39,585	-	-
Non taxable income	(4,210,362)	(6,296,325)	(2,111,139)	(6,580,726)
Foreign withholding tax	20,017	16,792	-	-
Real property gain tax	176,091	-	-	-
Crytallisation of deferred tax resulting from reduction of tax rate	(60,620)	(60,620)	-	-
Deferred tax assets not recognised during the financial year	18,794	(64,391)	-	-
Deferred tax assets not recognised in prior financial years	(205)	(15,023)	-	-
Overprovision of income tax in prior financial years	(300,957)	(149,309)	(163,470)	(150,516)
Utilisation of tax benefits not recognised previously	(162,903)	306	(21,272)	-
Others	76,692	63,523	-	4,080
	11,381,675	9,009,335	1,221,030	748,678
Share of taxation in associated companies	1,830,797	708,183	-	-
	13,212,472	9,717,518	1,221,030	748,678

The unabsorbed tax losses and unutilised of capital allowances are available for offset against future taxable profits of the subsidiary and Company in which those items arose. These amounts are subject to agreement by the Inland Revenue Board.

34. BASIC AND DILUTED EARNINGS PER SHARE

	GROUP 2012 RM	GROUP 2011 RM Restated
Net earnings for the year (RM)	33,583,294	43,301,411
Weighted average number of ordinary shares	165,787,050	168,332,298
Basic earnings per share (sen)	20.26	25.72

Basic earnings per share are calculated by dividing the profit for the financial year by the weighted average number of ordinary shares in issue during the financial year.

The calculation of diluted earnings per share is not applicable for the financial year 2012 and financial year 2011 as there is no dilutive potential ordinary shares in issue.

35. DIVIDENDS

	COMPANY 2012 RM	COMPANY 2011 RM
Dividend paid		
Financial year ended 31 March 2010		
- final dividend of 5% less 25% tax	-	5,064,292
Financial year ended 31 March 2011		
- final dividend of 5% less 25% tax	4,967,955	-
	4,967,955	5,064,292

A first and final dividend of 5% less 25% amounting to RM4,697,955 in respect of the financial year ended 31 March 2011 has been paid on 9 December 2011.

The Directors also declared a dividend in respect of the financial year ended 31 March 2011 by way of distribution of share dividend on the basis of one (1) treasury share for every twenty five (25) existing ordinary share of RM1 each amounting to RM6,664,994 on 9 December 2011. The share dividend involved the distribution of 5,299,069 treasury shares which were credited into the entitled Depositors' Securities Accounts on 9 December 2011. The share dividend is equivalent to 5 sen per share based on treasury share book cost as at 31 March 2011.

At the forthcoming Annual General Meeting, a first and final dividend of 6% less 25% tax in respect of the financial year ended 31 March 2012 will be proposed for shareholders' approval. The financial statements for the current financial year does not reflect this proposed dividend, such dividend when approved by shareholders will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 March 2013.

36. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Secured:				
Guarantees given to financial institutions for bank guarantee facilities granted to the Company and subsidiary companies in favour of third parties	1,138,000	1,048,000	1,138,000	1,048,000
Guarantees given to financial institutions on borrowings and credit facilities granted to subsidiary companies	-	-	81,782,676	49,970,243
Unsecured:				
Guarantees given to financial institutions for bank guarantee facilities granted to a subsidiary company in favour of third parties	371,784	-	371,784	284,750
Guarantees given to financial institutions on borrowings and credit facilities granted to subsidiary companies	-	-	7,995,264	3,680,764

The secured bank guarantee facilities of the Group are secured by:

(iv) Pledge of deposits of the Group as per Note 17
(v) Negative pledge by the Company; and
(vi) Corporate guarantee of the Company.

37. MATERIAL LITIGATIONS

(i) A purported claim of RM787,882 together with interest and cost has been made by Syarikat Bina Setia Jasa ("SBSJ"), a sub-contractor, against Brem Maju Sdn. Bhd. ("BMSB"), a subsidiary company of the Company in respect of claim on contract works performed. BMSB is contesting the claim and has taken up counsel on the matter with the solicitors. SBSJ's application for summary judgement was dismissed with cost on 12 October 1995. An application to strike out the claim has been made by BMSB and on 9 February 2006, the Court had granted an order in terms of BMSB's application with costs. SBSJ filed an appeal to Judge In Chambers and the appeal was dismissed with costs on 22 June 2006. On 21 July 2006, SBSJ has filed an appeal to the Court of Appeal. The Court has allowed costs of RM84,364 inclusive of interest of 8% per annum from 23 June 2009 till full date of full realisation and the Allocatur fee of RM6,755 to be paid by SBSJ to BMSB. The Order and the Allocatur has been filed on 26 July 2010 and the same is pending extraction from the Court. The decision of the Judgement Debtors' application to set aside the bankcruptcy Notice was filed on 18 July 2012. The matter was fixed for hearing on 26 July 2012 and it was dismissed with costs to be paid by the Judgement Debtors to BMSB. The matter is fixed for hearing on 3 August 2012.

37. MATERIAL LITIGATIONS (cont'd)

(ii) Intan Kemuncak Sdn. Bhd. ("IKSB"), a subsidiary company of Brem Holding Berhad, commenced an action against Koperasi Celcom Berhad ("KCB") on 23 April 2002 for RM5,643,021, being the damages resulting from the unlawful termination by KCB of a joint venture agreement dated 30 July 1999 entered into between IKSB and KCB ("JVA"), relating to a housing project development. KCB had on 25 June 2002 filed its defence and made a counter claim against IKSB for breaching the terms of the JVA, which allegedly led to the termination of the JVA and KCB suffering damages amounting to RM13,586,580. IKSB has on 5 July 2002 filed in its defence to KCB's counter claim. The application of summary judgment by IKSB was dismissed by the Senior Assistant Registrar and IKSB filed in an appeal to the Judge in Chambers against the decision of the Senior Assistant Registrar. The summary judgement was obtained against KCB on 9 April 2004. However, KCB has filed in an appeal against the decision of the High Court Judge. The Directors and solicitors are of the opinion that IKSB will not suffer any material loss in respect of the purported claim. There has been no development since 29 April 2004.

(iii) On 11 February 2010, a purported claim of RM4,307,241 excluding costs and interest has been made by Foo Voon Sang ("FVS") and Tan Mui Loo ("TML"), against Titi Kaya Sdn. Bhd. ("TKSB"), a subsidiary company of the Company in respect of breach of Sale and Purchase agreements. TKSB is contesting the claim and has taken up counsel on the matter with solicitors. On 5 April 2010, TKSB had filed defence and counter claim against FVS and TML for damages which is to be assessed by the Court. The Directors and the solicitors are of the opinion that TKSB will not suffer any material loss in respect of the purported claim.

(iv) On 3 February 2010, Tan Kiam Loke and Lee Sook Hua have made a claim of RM396,000 excluding costs and interest against Naga Istimewa Sdn. Bhd. ("NISB"), a subsidiary company of the Company, for the late delivery of vacant possession of a retail unit. NISB is contesting the claim and had filed its defence on 9 April 2010. The Directors and the solicitors are of the opinion that NISB will not suffer any material loss in respect of the purported claim.

(v) On 8 February 2010, a purported claim excluding costs and interest which is to be assessed by the Court has been made by Tan Boon Looi and Low Boon Heng, against Eng Ann Realty Co. (Klang) Sdn. Bhd. ("EARSB"), a subsidiary company of the Company in respect of breach of contractual duties in the Sales and Purchase Agreement. EARSB is contesting the claim and has taken up counsel on the matter with solicitors. The matter is fixed for hearing on 12 August 2011. An application to strike out the claim has been made by EARSB and on 23 November 2011, the Court had granted an order in terms of EARSB application with costs. Tan Boon Looi and Low Boon Heng have filed an appeal to the Court of Appeal on 10 May 2012 and the Honourable Judge has dismissed the said appeal with cost to be paid by Tan Boon Looi and Low Boon Heng to EARSB.

38. RELATED PARTIES TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making of financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Significant transactions with related parties other than those disclosed elsewhere in the financial statements are as below:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Billing on contract work charge to subsidiary companies				
- Harmony Property Sdn. Bhd.	-	-	29,278,019	19,292,004
- Naga Istimewa Sdn. Bhd.	-	-	535,949	519,076
Interest charged received/receivable from subsidiary companies				
- Harmony Property Sdn. Bhd.	-	-	974,058	270,785
- Naga Istimewa Sdn. Bhd.	-	-	1,317	11,071
- Intan Kemuncak Sdn. Bhd.	-	-	-	2,714
- Cosmo-One Realty Sdn. Bhd.	-	-	187,677	47,285
- NPO Builders Sdn. Bhd.	-	-	962,845	731,342
Dividend income received from subsidiary companies				
- Global Water Sdn. Bhd.	-	-	1,080,000	-
- Brem Maju Sdn. Bhd.	-	-	-	4,808,000
Management fee received/receivable from subsidiary company				
- PNG Water Limited	-	-	117,562	47,285
Dividend income received from associated company				
- Bertam Alliance Berhad	-	-	680,000	900,000
Rental of premises paid/payable to related party which certain Directors have substantial financial interest				
- Nikmat Maju Development Sdn. Bhd.	150,000	150,000	75,000	75,000
Commission received from subsidiary company				
- Brem Maju Sdn. Bhd.	-	-	1,647,940	-
Bad debts written off for amount owing by subsidiary company				
- Intan Kemuncak Sdn. Bhd.	-	-	109,356	-

39. CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Capital expenditure				
Authorised capital expenditure not provided for:				
- Contracted Purchase of property	-	105,826,038	-	-

40. SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Business Segments of the Group is organised into four major segments which is civil engineering and construction, property development, property investments and investment holding, and water supply and services.

40. SEGMENTAL INFORMATION (cont'd)

	Civil engineering and Construction 2012 RM	Civil engineering and Construction 2011 RM	Property development 2012 RM	Property development 2011 RM	Property investments and investment holding 2012 RM	Property investments and investment holding 2011 RM	Water supply and services 2012 RM	Water supply and services 2011 RM Restated	Elimination 2012 RM	Elimination 2011 RM	Consolidated 2012 RM	Consolidated 2011 RM Restated
Revenue												
External sales	44,460,215	19,560,504	65,804,394	52,846,175	12,651,785	11,570,538	23,984,918	22,451,326	-	-	146,901,312	106,428,543
Inter-segment sales	-	-	-	-	1,760,000	5,708,000	-	-	(1,760,000)	(5,708,000)	-	-
Total revenue	44,460,215	19,560,504	65,804,394	52,846,175	14,411,785	17,278,538	23,984,918	22,451,326	(1,760,000)	(5,708,000)	146,901,312	106,428,543
Results												
Segment results	4,731,640	3,078,165	17,951,185	15,351,454	6,869,304	8,048,123	21,483,923	19,889,553	(1,760,000)	(5,104,519)	49,276,052	41,262,776
Finance costs, net												
Taxation	(95,902)	(66,892)	(514,269)	(368,288)	(2,423,962)	(2,323,246)	(1,270,603)	(3,139,673)	-	2,714	(4,304,736)	(5,895,385)
Reversal of allowance for impairment of associated companies	-	-	-	-	6,460,000	20,614,904	-	-	-	-	6,460,000	20,614,904
Share of results of associated companies	-	-	5,851,793	5,693,778	-	-	-	-	-	-	5,851,793	5,693,778
Taxation	-	-	-	-	-	-	-	-	-	-	(13,212,472)	(9,717,518)
Non-controlling interests	-	-	-	-	-	-	-	-	-		(10,487,343)	(8,657,144)
Profit attributable to shareholders of the Company											33,583,294	43,301,411
Interest income	1,215,938	1,186,739	139,783	137,719	8,956	9,450	18,758,626	18,836,909	-	-	20,123,303	20,170,817

40. SEGMENTAL INFORMATION (cont'd)

	Civil engineering and Construction 2012 RM	Civil engineering and Construction 2011 RM	Property development 2012 RM	Property development 2011 RM	Property investments and investment holding 2012 RM	Property investments and investment holding 2011 RM	Water supply and services 2012 RM	Water supply and services 2011 RM Restated	Elimination 2012 RM	Elimination 2011 RM	Consolidated 2012 RM	Consolidated 2011 RM Restated
Assets and Liabilities												
Segment assets	42,749,182	44,960,194	345,338,021	213,093,461	142,866,715	149,741,579	166,038,966	142,005,002	(11,149,952)	(10,526,998)	685,842,932	539,273,238
Associated companies											66,797,894	56,996,898
Unallocated corporate assets											79,341,921	38,174,991
Consolidated total assets											831,982,747	634,445,127
Segment liabilities	23,483,933	19,183,991	113,270,322	5,885,792	34,038,451	34,485,398	13,510,906	3,433,246	-	-	184,303,612	62,988,427
Unallocated corporate liabilities											14,035,202	47,611,481
Consolidated total liabilities											198,338,814	110,599,908
Other information												
Capital expenditure	583,000	479,053	12,694	631,690	553,897	5,969,451	-	-	-	81,775	1,149,591	7,161,969
Depreciation and amortisation	352,827	283,473	27,889	43,125	2,561,095	2,542,102	1,920	2,514	-	(524,440)	2,943,731	2,346,774
Non cash expenses other than depreciation and amortisation	354	1,364	-	-		-	-	-	-	-	354	1,364

40. SEGMENTAL INFORMATION (cont'd)

Geographical Segments

Revenue, property, plant and equipment and investment properties information based on the geographical location of customers and asset respectively are as follows:

	Revenue		Property, plant and equipment and investment properties	
	2012 RM	2011 RM Restated	2012 RM	2011 RM Restated
Malaysia	122,916,394	83,977,217	121,548,079	129,222,289
The People's Republic of China	-	-	595,059	599,175
Papua New Guinea	23,984,918	22,451,326	441,371	358,632
	146,901,312	106,428,543	122,584,509	130,180,096

Revenue from a major customer amounting to RM23,984,918 (2011 – RM22,451,326), arising from sales by the water supply and services segment.

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(i) On 8 April 2011, Harmony Property Sdn. Bhd., a 75% owned subsidiary company entered into a Sale and Purchase Agreement with Tan Kai Tet Holding Sdn. Bhd. to acquire a piece of vacant land measuring approximately 1.214 hectares held under GM1229, No. Lot 1919, Tempat Sungai Teba, Segambut Dalam, Mukim Batu, Daerah Kuala Lumpur for a total consideration of RM18,000,000.

(ii) On 10 May 2011, Harmony Property Sdn. Bhd., a 75% owned subsidiary company entered into a Sale and Purchase Agreement with Soo Ching Hong and Lee Yok Hoy to acquire a piece of freehold land measuring approximately 2 acres 25p held under Geran Mukim 1340 No. Lot 3695, Mukim Batu, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan for a total consideration of RM12,000,000.

42. COMPARATIVE FIGURES

Certain figures in the financial statements of the Group have been reclassified to conform with the current financial year's presentation following the adoption of the IC Interpretation 12:

	As at 31 March 2011		As at 1 April 2010	
	As restated RM	As previously stated RM	As restated RM	As previously stated RM
Statements of financial position				
Property, plant and equipment	2,067,638	125,490,519	2,032,310	145,286,921
Operating financial assets	126,586,984	-	146,390,328	-
Provision for taxation	321,987	321,986	2,280,243	2,280,243
Deferred tax liabilities	9,924,901	8,973,685	9,592,452	8,652,299

42. COMPARATIVE FIGURES (cont'd)

	As at 31 March 2011		As at 1 April 2010	
	As restated RM	As previously stated RM	As restated RM	As previously stated RM
Statements of comprehensive income				
Revenue	106,428,543	138,712,967	73,019,263	106,836,607
Other income	42,946,512	25,411,200	29,296,016	8,592,538
Administration expenses	6,563,264	21,457,571	6,310,798	21,283,868
Profit before taxation	61,676,073	61,530,878	23,957,289	22,094,354
Taxation	9,717,518	9,673,814	5,523,113	4,814,672
Profit after taxation	51,958,555	51,857,064	18,434,176	17,279,682

43. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The table below provides an analysis of financial instruments categories as follows:
(i) Loan and receivables (L&R);
(ii) Other financial liabilities measured at amortised cost (OL).

Group	L&R/ (OL) RM	Carrying amount RM
At 31 March 2012		
Financial Assets		
Other investments	5,595,445	5,595,445
Trade receivables	55,658,187	55,658,187
Other receivables	9,746,829	9,746,829
Cash and cash equivalents	27,273,597	27,273,597
	98,274,058	98,274,058
Financial Liabilities		
Trade payables	18,330,887	18,330,887
Other payables	49,773,384	49,773,384
Amount due to Directors	4,454,072	4,454,072
Debentures	8,145,900	8,145,900
Hire purchase payables	791,947	791,947
Borrowings	95,732,563	95,732,563
	177,228,753	177,228,753

43. FINANCIAL INSTRUMENTS (cont'd)

(a) Classification of financial instruments (cont'd)

	L&R/ (OL) RM	Carrying amount RM
Group		
At 31 March 2011		
Financial Assets		
Other investments	5,595,445	5,595,445
Trade receivables	48,843,895	48,843,895
Other receivables	4,441,749	4,441,749
Cash and cash equivalents	30,721,998	30,721,998
	89,603,087	89,603,087
Financial Liabilities		
Trade payables	15,488,238	15,488,238
Other payables	5,226,465	5,226,465
Amount due to Directors	5,730,782	5,730,782
Debentures	6,434,100	6,434,100
Hire purchase payables	600,792	600,792
Borrowings	61,280,916	61,280,916
	94,761,293	94,761,293

	L&R/ (OL) RM	Carrying amount RM
Company		
At 31 March 2012		
Financial Assets		
Other investments	5,000,000	5,000,000
Trade receivables	24,513,968	24,513,968
Other receivables	540,246	540,246
Amount due from subsidiary companies	106,101,282	106,101,282
Cash and cash equivalents	38,417	38,417
	136,193,913	136,193,913
Financial Liabilities		
Trade payables	10,710,286	10,710,286
Other payables	112,036	112,036
Amount due to subsidiary companies	23,744,398	23,744,398
Amount due to Directors	1,697,376	1,697,376
Hire purchase payables	685,045	685,045
Borrowings	8,941,734	8,941,734
	45,890,875	45,890,875

43. FINANCIAL INSTRUMENTS (cont'd)

(a) Classification of financial instruments (cont'd)

	L&R/ (OL) RM	Carrying amount RM
Company		
At 31 March 2011		
Financial Assets		
Other investments	5,000,000	5,000,000
Trade receivables	22,833,475	22,833,475
Other receivables	1,488,200	1,488,200
Amount due from subsidiary companies	97,341,069	97,341,069
Cash and cash equivalents	8,552,152	8,552,152
	135,214,896	135,214,896
Financial Liabilities		
Trade payables	9,795,802	9,795,802
Other payables	129,539	129,539
Amount due to subsidiary companies	18,454,618	18,454,618
Amount due to Directors	5,471,376	5,471,376
Hire purchase payables	550,159	550,159
Borrowings	7,629,909	7,629,909
	42,031,403	42,031,403

(b) Financial Risk Management Policies

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

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing these risks. The Group's risk management approach seeks to minimise the potential material adverse impact of those exposures.

The following section provides 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.

(i) *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 interest risk arises primarily from interest-bearing financial assets and financial liabilities. The Group's interest-bearing financial assets include fixed deposits that are short term in nature and are held to earn a better yield than cash at banks. The fixed deposits placed with licensed banks at fixed rate expose the Group to fair value interest rate risk. The Group's interest-bearing financial liabilities include hire purchase payables, term loans and revolving credit.

43. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial Risk Management Policies (cont'd)

(i) Interest rate risk (cont'd)

Borrowings at floating rates expose the Group to cash flow interest rate risk whilst finance lease payables at fixed rate expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the reporting date and the remaining maturities of the Group's and of the Company's financial instruments that are exposed to interest rate risk:

	Note	WAEIR %	Within 1 year RM	2-5 years RM	More than 5 years RM	Total RM
Group						
At 31 March 2012						
Fixed rate						
Deposits with licensed financial institutions	17	2.44	13,856,913	-	-	13,856,913
Hire purchase payables	23	3.70	238,762	553,185	-	791,947
Term loans	24	7.65	2,004,000	73,799,086	-	75,803,086
Bank overdraft	24	2.50	14,929,477	-	-	14,929,477
Revolving credit	24	2.00	5,000,000	-	-	5,000,000
			36,029,152	74,352,271	-	110,381,423
At 31 March 2011						
Fixed rate						
Deposits with licensed financial institutions	17	2.38	14,502,700	-	-	14,502,700
Hire purchase payables	23	3.15	148,120	452,672	-	600,792
Term loans	24	7.65	18,579,257	29,952,511	-	48,531,768
Bank overdraft	24	2.50	7,749,148	-	-	7,749,148
Revolving credit	24	2.00	5,000,000	-	-	5,000,000
			45,979,225	30,405,183	-	76,384,408

43. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial Risk Management Policies (cont'd)

(i) Interest rate risk (cont'd)

	Note	WAEIR %	Within 1 year RM	2-5 years RM	More than 5 years RM	Total RM
Company						
At 31 March 2012						
Fixed rate						
Deposits with licensed financial institutions	17	3.15	-	21,417	-	21,417
Hire purchase payables	23	3.70	188,738	496,307	-	685,045
Bank overdraft	24	2.50	3,941,734	-	-	3,941,734
Revolving credit	24	2.00	5,000,000	-	-	5,000,000
			9,130,472	517,724	-	9,648,196
At 31 March 2011						
Fixed rate						
Deposits with licensed financial institutions	17	2.38	-	53,733	-	53,733
Hire purchase payables	23	3.15	124,756	425,403	-	550,159
Bank overdraft	24	2.13	2,629,909	-	-	2,629,909
Revolving credit	24	2.00	5,000,000	-	-	5,000,000
			7,754,665	479,136	-	8,233,801

(ii) Credit risk

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

The Company is also exposed to credit risk arising from corporate guarantee provided in respect of credit facilities granted to the subsidiary companies.

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

43. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial Risk Management Policies (cont'd)

(ii) Credit risk (cont'd)

Exposure to credit risk

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

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

- A nominal amount of RM81,782,676 (2011 – RM54,983,757) relating to corporate guarantees to bank and other financial institutions for credit facilities granted to subsidiary companies.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 12. Deposits with banks and other financial institutions and quoted shares that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding trade and other receivables that are either past due or impaired is disclosed in Notes 12 and 15.

(iii) Foreign currency risk

The Group is exposed to foreign currency risk arising from investments in foreign subsidiary companies of which the assets and liabilities are denominated in Kina and Renminbi.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which these investments are located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

(iv) Liquidity risk

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

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.

43. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial Risk Management Policies (cont'd)

(iv) Liquidity risk (cont'd)

At 31 March 2012	Within 1 year RM	2 - 5 years RM	More than 5 years RM	Total RM
Group				
Trade payables	8,135,499	2,129,648	-	10,265,147
Other payables	49,773,384	-	-	49,773,384
Loan and borrowings	21,933,477	73,799,086	-	95,732,563
	79,842,360	75,928,734	-	155,771,094
Company				
Trade payables	2,400,050	1,843,027	-	4,243,077
Other payables	112,036	-	-	112,036
Loan and borrowings	8,941,734	-	-	8,941,734
	11,453,820	1,843,027	-	13,296,847
At 31 March 2011				
Group				
Trade payables	4,533,166	2,129,189	-	6,662,355
Other payables	5,226,465	-	-	5,226,465
Loan and borrowings	31,328,405	29,952,511	-	61,280,916
	41,088,036	32,081,700	-	73,169,736
Company				
Trade payables	1,844,737	1,514,035	-	3,358,772
Other payables	129,539	-	-	129,539
Loan and borrowings	7,629,909	-	-	7,629,909
	9,604,185	1,514,035	-	11,118,220

44. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial assets and liabilities are reasonable approximation of their 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.

The Group does not anticipate the carrying amounts recorded at the reporting date to be significantly different from the values that would eventually be received or settled.

45. CAPITAL MANAGEMENT

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

The debt-to-equity ratios as at 31 March 2011 and as at 31 March 2012 were as follows:

	GROUP		COMPANY	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade payables	18,330,887	15,488,238	10,710,286	9,795,802
Other payables and accruals	56,848,243	10,818,192	1,371,950	507,384
Amount due to subsidiary companies	-	-	23,744,398	18,454,618
Amount due to Directors	4,454,072	5,730,782	1,697,376	5,471,376
Hire purchase payables	791,947	600,792	685,045	550,159
Bank borrowings	95,732,563	61,280,916	8,941,734	7,629,909
Debentures	8,145,900	6,434,100	-	-
Less: Cash and cash equivalents	(27,273,597)	(30,721,998)	(38,417)	(8,552,152)
Net debt	157,030,015	69,631,022	47,112,372	33,857,096
Equity attributable to the shareholders of the Company	459,574,267	415,380,620	299,002,139	293,534,371
Capital and net debt	616,604,282	485,011,642	346,114,511	327,391,467
Gearing ratio	25%	14%	14%	10%

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

46. SUPPLEMENTARY INFORMATION ON THE DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

The following analysis of realised and unrealised retained profits or losses of the Group and of the Company as at the reporting date is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealise Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

The retained earnings of the Group and of the Company as at year end is analysed as follows:

	GROUP		COMPANY	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
		Restated		
Total retained earnings of the Company and its subsidiaries				
- Realised	338,961,457	316,976,521	128,981,304	130,403,010
- Unrealised	(7,806,890)	(9,534,042)	(67,100)	(2,333)
	331,154,567	307,442,479	128,914,204	130,400,677
Total share of retained earnings from associated companies				
- Realised	7,273,837	3,240,636	-	-
- Unrealised	(873,214)	(873,214)	-	-
	337,555,190	309,809,901	128,914,204	130,400,677
Less: Consolidated adjustments	(67,218,730)	(59,772,993)	-	-
	270,336,460	250,036,908	128,914,204	130,400,677

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

Analysis Of Shareholdings
as at 8 August, 2012

SHARE CAPITAL

Authorised Share Capital	:	RM250,000,000.00
Issued and fully paid-up capital	:	RM172,736,172
Class of shares	:	Ordinary shares of RM1 each
Voting rights	:	1 vote per share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares held	%
1 to 99	91	2.35	3,441	0.00
100 to 1,000	125	3.22	67,069	0.04
1,001 to 10,000	2,843	73.31	9,912,220	5.84
10,001 to 100,000	723	18.64	18,287,143	10.77
100,001 to less than 5% of issued shares	93	2.40	60,352,917	35.53
5% and above of issued shares	3	0.08	81,193,851	47.81
TOTAL	**3,878**	**100.00**	**169,816,641**	**100.00**

LIST OF THIRTY LARGEST SHAREHOLDERS

NO.	NAME	SHAREHOLDINGS	%
1	BREM PROPERTIES SDN BHD	39,913,350	23.50
2	KHOO CHAI KAA	24,374,410	14.35
3	WAWASAN EKUITI SDN BHD	14,687,936	8.65
4	LEMBAGA TABUNG HAJI	8,289,826	4.88
5	CLASSICAL GLORY SDN BHD	5,373,307	3.16
6	BOND RESOURCES SDN BERHAD	4,639,825	2.73
7	KHOO CHAI THIAM	3,035,222	1.79
8	MKW JAYA SDN BHD	2,800,000	1.65
9	MAYBEST ENTERPRISE SDN BHD	2,770,791	1.63
10	MAYBANK NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR LOW YEW HWA	2,530,863	1.49

Analysis Of Shareholdings
as at 8 August, 2012 (Cont'd)

NO.	NAME	SHAREHOLDINGS	%
11	TAN SRI DATO' YAP SUAN CHEE	2,527,110	1.49
12	WAWASAN EKUITI SDN BHD	2,218,155	1.31
13	HDM NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR BOND RESOURCES SDN. BERHAD (M01)	1,562,639	0.92
14	KOPERASI JAYADIRI MALAYSIA BERHAD	1,290,000	0.76
15	YEOH KEAN HUA	1,032,000	0.61
16	TRADEMA HOLDINGS SDN BHD	1,030,581	0.61
17	HDM NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR CLASSICAL GLORY SDN BHD (M03)	1,000,000	0.59
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR LEE TECK YUEN (MLK)	941,442	0.55
19	KINGSLEY LIM FUNG WANG	913,800	0.54
20	HDM NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR YAU KIM HIAN (M01)	880,660	0.52
21	MEPRO HOLDINGS BERHAD	780,837	0.46
22	LU,CHIEN-CHUN	695,310	0.41
23	HUANG, CHUNG-KO ALSO KNOWN AS GREG HUANG	661,125	0.39
24	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR BRYAN NICHOLAS LEE MUN HEI (MLK)	650,805	0.38
25	M.I.T NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : PLEDGED SECURITIES ACCOUNT FOR TENG SIEW KEAN (MG0090-199)	613,395	0.36
26	KEK LIN SIANG	607,977	0.36
27	CIMSEC NOMINEES (TEMPATAN) SDN BHD BENEFICIARY : CIMB BANK FOR YEONG SING ONG (MY0427)	508,500	0.30
28	GEOFFREY LIM FUNG KEONG	495,000	0.29
29	LOW SUAN KONG	480,000	0.28
30	ENG BAK SING	473,301	0.28
		127,778,167	75.24

Analysis Of Shareholdings
as at 8 August, 2012 (Cont'd)

SUBSTANTIAL SHAREHOLDERS
(as shown in the register of substantial shareholders)

Name of Substantial Shareholdes	No. of Ordinary Shares of RM1 each Direct	%	Indirect	%
1. Khoo Chai Kaa	24,374,410	14.35	39,913,350	23.50
2. Lee Lei Choo	-	-	64,287,760	37.86
3. Wawasan Ekuiti Sdn. Bhd.	16,906,091	9.96	-	-
4. Musa Bin Abas	129,000	0.08	16,906,091	9.96
5. Brem Properties Sdn. Bhd.	39,913,350	23.50	-	-
6. Norhayati Binti Ali Polah	-	-	16,906,091	9.96

STATEMENT OF DIRECTORS' SHAREHOLDINGS

Directors' Name	No. of Ordinary Shares of RM1 each Direct	%	Indirect	%
The Company				
Khoo Chai Kaa	24,374,410	14.35	39,913,350	23.50
Khoo Chai Thiam	3,428,672	2.02	-	-
Low Yew Hwa	2,530,863	1.49	-	-
Wong Miow Song	-	-	-	-
Dato' Hj. Abu Sujak Bin Hj. Mahmud	-	-	-	-
Khoo Hui Keam	-	-	-	-
Khoo Hui Giok	-	-	-	-

By virtue of his interest in shares in the Company, Mr. Khoo Chai Kaa is also deemed to be interested in the shares in all subsidiaries to the extent that the Company has an interest.

Directors' Name	No. of Ordinary Shares of HK$1 each Direct	%	Indirect	%
Subsidiary Companies:-				
Brem Oversea Investments Pte. Limited				
Low Yew Hwa	600,000	5.00	-	-

	No. of Ordinary Shares of K1 each Direct	%	Indirect	%
Brem Maju (PNG) Limited				
Low Yew Hwa	1	0.0004	-	-
Khoo Chai Kaa	1	0.0004	-	-

Properties Held by the Brem Group of Companies

Location	Description/ Existing use	Date of acquisition	Area	Tenure/Age of building	Net book value as at 31 March 2012 RM '000
BREM HOLDING BERHAD					
PT 19658-19698, 19869-19870, 19873, 19927-20035, 20045-20052 Mukim of Sungai Pasir, District of Kuala Muda, Kedah Darul Aman.	Development land - vacant	07/01/1994	24.27 acres	Freehold	34,460
PT 4657-4660, 4663, 4667, 4669, 4672-4674, 4678-4684, 4688-4700, 4704-4706, 4724, Mukim of Pinang Tunggal, District of Kuala Muda, Kedah Darul Aman.	Development land - vacant	07/01/1994	84.07 acres	Freehold	12,159
COSMO-ONE REALTY SDN BHD					
Lot 7, Jalan 222, Petaling Jaya, Selangor Darul Ehsan.	Factory building for rental	04/09/1996	1.21 acres	Leasehold Expiring on 20/07/2065	8,704
NAGA ISTIMEWA SDN BHD					
PT 14218, 14221 & 14222, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Investment property for rental - retail cum office complex - vacant land	26/10/1995	3.33 acres	Leasehold Expiring on 01/08/2095 Age: 4 years	121,920
HARMONY PROPERTY SDN BHD					
Lot No. 2494, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	10/10/1995	1.97 acres	Freehold	2,303
Lot No. 2521, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	17/11/1995	1.97 acres	Freehold	4,241
Lot No. 2863, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Property under development	15/12/2003	1.27 acres	Freehold	4,887

Location	Description/ Existing use	Date of acquisition	Area	Tenure/Age of building	Net book value as at 31 March 2012 RM '000
HARMONY PROPERTY SDN BHD (cont'd)					
Lot No. 3696, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Property under development	31/03/2005	4.41 acres	Freehold	16,969
Lot No. 2865, 2867 & 3695 Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	5.06 acres	Freehold	10,252
Lot No. 2868 - 2870, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	5.94 acres	Freehold	9,687
Lot No. 2519, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	2.03 acres	Freehold	699
Lot No. 2520, 2522, 2495 & 2496, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land - vacant	31/03/2005	7.91 acres	Freehold	7,025
Lot 1919, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan.	Development land -vacant	08/04/2011	3.0 acres	Freehold	19,123
Lot 2 & Lot 9, District of Petaling, Selangor Darul Ehsan	Development land -vacant	15/03/2011	7.59 acres	Leasehold Expiring on 16/05/2065	51,831
Lot 3897 & PT 1157, Mukim of Ulu Kelang, District of Kuala Lumpur, Wilayah Persekutuan.	Development land -vacant	19/11/2010	33.28 acres	Leasehold Expiring on 05/04/2083	74,391
BREM MAJU SDN BHD					
Lot 4649, WC/S - 5, Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan. (WC 23, Antah Tower, Off Jalan Kuching, 51200 Kuala Lumpur)	Single bedroom apartment for rental	03/11/1986	58.71 sq m.	Freehold Age: 25½ years	80

Properties Held by the Brem Group of Companies (cont'd)

Location	Description/ Existing use	Date of acquisition	Area	Tenure/Age of building	Net book value as at 31 March 2012 RM '000
BREM MAJU (PNG) LIMITED					
Allotment 2, Section 516, Waigani Drive, Hohola, NCD, Papua New Guinea.	3-storey residential house	15/03/2003	0.06 acre .	Leasehold Expiring on 28/05/2095	381
TITI KAYA SDN BHD					
PT 27609-PT 27611, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	21/10/1995	12.30 acres	Freehold	2,847
PT 27612 & PT 41705 (Formerly as Grant 30380, Lot 84), Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	30/12/1996 09/05/1997	161.57 acres	Freehold	25,737
ENG ANN REALTY CO. (KLANG) SDN BHD					
Lot No. 3328-3330, 2900 & PT 252 (Formerly 3325), Mukim of Bukit Raja, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/06/1994	4.70 acres	Freehold	3
Lot 6469 & 1674, Mukim of Bukit Raja, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/01/1994	0.1 acre	Freehold	6
Lot 15375 & 15377, Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Property under development and vacant land	10/01/1994	12.23 acres	Freehold	978
PT 27612 & PT 41705 (Formerly as Grant 30380, Lot 84), Mukim of Kapar, District of Klang, Selangor Darul Ehsan.	Development land - vacant	10/06/1994	109.71 acres	Freehold	204
NPO BUILDERS SDN BHD					
PT 21018 (HSD 248199) & PT 21019 (HSD 248200), Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan	Development land - vacant	27/12/2004	46.21 acres	Freehold	24,846

BREM HOLDING BERHAD (66756-P)
Incorporated In Malaysia

Proxy Form

31st Annual General Meeting

I/We ____

of ____

being a Member/Members of BREM HOLDING BERHAD hereby appoint ____

____

of ____

or failing him/her ____

of ____

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Thirty-First Annual General Meeting of the Company, to be held at Crown Hall, 1st Floor, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor Darul Ehsan on Thursday, 27 September 2012, at 10.30 a.m. and at any adjournment thereof.

**(strike out whichever is not desired)*

(Should you desire to direct your Proxy as to how to vote on the Resolutions set out in the Notice of Meeting, please indicate with an "X" in the appropriate space. Unless otherwise instructed, the Proxy may vote or abstain from voting at his discretion)

No.	Resolutions	For	Against
1.	To receive the Audited Financial Statements		
2.	To declare a final dividend in respect of the year ended 31 March 2012		
3.	To approve Directors' fees		
4.	Re-election of Mr. Khoo Chai Thiam as Director		
5.	Re-election of Mr. Low Yew Hwa as Director		
6.	Re-appointment of Dato' Hj. Abu Sujak Bin Mahmud as Director		
7.	To re-appoint Messrs. Styl Associates as Auditors of the Company		
8.	Proposed Amendments to the Company's Articles of Association		
9.	Resolution pursuant to Section 132D of the Companies Act, 1965		
10.	Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions		
11.	Proposed Renewal of Authority For Share Buy-Back		
12.	Continuing in office for Mr. Wong Miow Song As Independent Non-Executive Director		

Signed this ____________ day of ____________________ 2012

No. of Shares Held	
CDS Account No.	
Tel No. (during office hours)	

____
Signature

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
3. In the case of a corporate body, the proxy appointed must be in accordance with the Memorandum and Articles of Association, and the instrument appointing a proxy shall be given under the company's Common Seal or under the hand of the officer or attorney duly authorised.
4. The Form of Proxy must be deposited at the Company's Registered Office at 3rd Floor, BREM House, Crystal Crown Hotel, No. 12, Lorong Utara A, Off Jalan Utara, 46200 Petaling Jaya, Selangor not less than 48 hours before the time set for the meeting or any adjournment thereof.
5. **General Meeting Record of Depositors**
   For purposes of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Article 57(C) of the Articles of Association of the Company, a Record of Depositors as at 21 September 2012 and a Depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting or appoint proxy to attend and/or vote in his stead.

Fold this flap for sealing

Then fold here

Affix
Stamp
Here

The Company Secretary
BREM HOLDING BERHAD *(66756-P)*
3rd Floor, BREM House
Crystal Crown Hotel
No. 12, Lorong Utara A
Off Jalan Utara
46200 Petaling Jaya
Selangor Darul Ehsan

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